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VIENNA CONFERENCE.—At the opening of Rhodesian talks in Hofburg Palace yesterday, from left to right facing camera: U.S. Vice-President Walter Mondale; Donald McHenry, deputy to Andrew Young; Anthony Blake, chief of policy planning for the State Department and Denis Clift, National Security Adviser to Mondale. Backs to camera: South African Prime Minister John Vorster (right) talking with one of his advisers.

The U.S.-Africa Dialogue Intensifies

Mondale Presses Vorster To End Apartheid Policy

By Jim Hoagland

VIENNA, May 19 (WP).—Vice-President Mondale launched an effort today to extend the Carter administration's human rights campaign into southern Africa by holding six hours of talks with South African Prime Minister John Vorster here.

Both sides refused any comment on the meeting as they left the Hofburg Palace. Mr. Mondale and Mr. Vorster are to meet there tomorrow for two final hours of talks.

In their public statements going into the meeting—seen by both sides as a crucial factor in resolving guerrilla wars in Rhodesia and South-West Africa (Namibia) and in the future of white rule in South Africa—the two men appeared to promise an unyielding exchange of conflicting views.

But they announced unexpectedly that they were adding a second hour of talks tomorrow morning, indicating that an immediate impasse had not developed. Mr. Mondale leaves for Belgrade tomorrow afternoon.

South African officials fear that the Carter administration intends to chill relations at least as deeply as did the Kennedy administration's "Africa for the Africans" policy of the early 1960s.

South Africa's new foreign minister, R. F. Botha, set in motion the process that led to today's meeting in large part to let Mr. Vorster explore this troubling prospect first-hand.

Mr. Botha, ambassador to Washington until April, sat at Mr. Vorster's right as the two delegations faced each other over a long conference table at the start of the fourth high-level meeting between the two countries in less than a year.

Henry Kissinger met Mr. Vorster three times last year and implicitly relaxed U.S. pressures on South Africa in return for Mr. Vorster's support in an abortive effort to settle the Rhodesian conflict.

Mr. Mondale's guarded statements to reporters since he left Washington Saturday suggest that

he came to Vienna to stress to Mr. Vorster that the Carter administration, while eager to get his help on Rhodesia, will not offer tolerance for apartheid as a quid pro quo.

He was also due to emphasize the U.S. experience in lessening racial violence and hatred as a suggestion of the direction the United States would like to see South Africa take.

Mr. Mondale and Mr. Vorster met alone for 50 minutes during the two and three-quarters-hour morning session. Mr. Mondale then telephoned President Carter for the first time since leaving Washington, and did so again at the end of the afternoon session.

Both delegations had scheduled (Continued on Page 2, Col. 6)

Young Urges That Blacks Employ Economic Boycotts

MAPUTO, Mozambique, May 19 (UPI).—Andrew Young, U.S. ambassador to the United Nations, suggested that millions of Rhodesian blacks should boycott white merchant institutions in tactics similar to those used in the U.S. civil rights movement.

So widespread a boycott would have a devastating effect on the white minority government as the current guerrilla war raging in Rhodesia, Mr. Young said in a keynote speech to a UN conference on South-West Africa (Namibia) and Rhodesia.

Mr. Young circulated a 10-page memorandum to delegates from 87 nations and black liberation leaders outlining the principles guiding U.S. policy on southern Africa and then delivered an emotional 40-minute speech in which he constantly drew parallels with the U.S. civil rights

movement and his and President Carter's personal involvement. Mr. Young recommended the United States to finding a negotiated settlement in Rhodesia and Namibia, although he acknowledged it was "a race against time" and that the guerrilla war would continue.

He warned that the United States "is prepared to take new measures in the United Nations if we do not obtain rapid progress" in peace talks, but he cautioned African leaders that a "combination of pressures and incentives for change can prove more effective" than outright war.

Speech Is Criticized
Mr. Young received a polite ovation after his speech.

One immediate reaction came from Leslie Hartman, the Nigerian ambassador to the UN, a moderate by African standards and a prime mover in the black African efforts to end apartheid in South Africa.

"One could have hoped that Andrew Young would contribute to the conference and not lecture us on civil rights," he said. "I would have listened 10 years ago with some patience, but instead I listened today with considerable irritation."

"I don't see any change of U.S. policy," Robert Mugabe, a leader of Rhodesia's Patriotic Front and an outspoken critic of U.S. policy, said. "He has to prove there has been a revolution in American policy. He speaks about U.S. civil rights and an economic boycott. We have tried those methods and we are talking about a colonial situation."

Mr. Young suggested that "if every black citizen in Zimbabwe (Rhodesia) did not purchase anything but food and medicine for another three to six months it would bring an impact on the Smith regime equal to the armed struggle."

As blacks in the U.S. South were taught, so the people of Zimbabwe should be instructed that it is effective "not doing anything, but not doing something," he said.

He repeatedly acknowledged (Continued on Page 2, Col. 4)

Cabbie Finds There's No Fair Play From Client Who Can't Pay Fare

HACKENSACK, N.J., May 19 (NYT).—Anton Nigolian, 24, had a small problem at the end of a cab ride from Manhattan's Lower East Side to his home here yesterday. The fare on the meter read \$15.05, and Mr. Nigolian told the cabbie that he could not pay it. So off he went to a local bank for the money.

Mr. Nigolian emerged with enough funds to cover the fare, plus about \$17,000 more, the police said. Within an hour or so, he was arrested for bank robbery.

The trip began about noon, when Mr. Nigolian hailed a cab driven by Vincent Torres and asked to be driven to his home here, a 20-minute trip.

He told Mr. Torres to wait while he got the money in his house. A few minutes later, he returned saying that he was locked out and had to go to the bank for the money.

With the meter ticking, Mr. Torres obliged and drove to the commercial Trust Co. of New Jersey. He parked about a block from the bank. According to the police, this is what followed:

Mr. Nigolian gave a teller a note demanding money and warning that he was armed. The teller put about \$17,000 in a brown paper bag and gave it to Mr. Nigolian, who returned to the cab.

Bank officials who had followed Mr. Nigolian saw the cab drive off. Upon returning to his house, Mr. Nigolian paid the fare of \$15 and tossed in a \$2 tip.

A half-mile from the Nigolian home, the cab was stopped by police, who wanted to know the whereabouts of the passenger. Mr. Torres showed them.

Mr. Nigolian was arrested and, police said, the money was found hidden in his attic.

Spanish Economy Sags; Politicians Stall Until Elections

By Stanley Meisler

MADRID, May 19.—Spanish economists agree that the economy of Spain is in a sorry state, but the government is not ready to do anything about it.

Elections are scheduled for June 15—the first free elections in Spain in 41 years—and the government does not want to impose any unpleasant measures before then.

"The government thinks the best thing to do is nothing," Rafael Terres, a director of the Banco Popular, said recently.

Obviously, the government also feels that it would be best not to dwell on just how bad things are.

unrealistic. Changing its list of products and services used to measure inflation, the institute came up with an increase of 3 per cent in the cost of living for January, forecasting an annual inflation rate of 36 per cent.

Embarrassed by the resignation of Mr. Torron Duran, the government published the institute's cost-of-living figure, but added two other figures. The government said that if the institute had stuck to its original measure, the inflation rate for January would have been 24 per cent.

In addition, the government said that it had a new measure of its own, a basket of mainly price-controlled basic products. This index showed a January increase of 1.25 per cent.

Spain's inflation is the worst in Western Europe, but Spain has other economic problems as well—one of the world's worst trade deficits, growing unemployment, a standstill in tourism, overvalued currency.

These problems may not be

any easier to solve after the elections. Many economists believe that the government will have to devalue the peseta to make Spanish exports and tourism cheaper, while holding wages down to keep inflation from running out of control. Since these measures would probably hurt labor most, many experts expect the government to reach a "social pact" with labor on an economic program.

This could be difficult to negotiate. The government has little to offer workers in exchange for their accepting controls on wages. Moreover, government-labor relations were strained after the government banned all trade union rallies May 1 and allowed the police to beat workers trying to defy the ban. Relations could become even worse if the leftist parties do poorly in the elections and blame their defeat on government manipulation on behalf of a center coalition whose main candidate for parliament is Premier Adolfo Suarez.

Spain's economic troubles have come after a period of remarkable growth. Before the 1960s, Spain was barely a step ahead of the Third World in development. Its per-capita income in 1960 was just a little more than \$300 a year.

From 1960 to 1973, its growth rate ranged between 7 per cent and 10 per cent a year, before slipping to a still healthy 5 per cent in 1974. By 1975, per capita income was \$2,400 a year.

Profit of Prosperity

At a time of U.S. and European prosperity, Spain prospered more than most. Its advantages came from a cheap labor force that usually abided by a fascist dictator's ban on strikes, steady foreign investment attracted by the labor force and tourist industries that lured middle-class Europeans vacationers with some of the lowest prices on the Continent. In short, Spain's growth was powered by cheap labor, low prices and European prosperity.

This equation could not stand the impact of the sudden rise in oil prices in late 1973. Europe headed into recession. Spain's prices and wages increased.

The problem was exacerbated here by Spain's peculiar labor relations. The late dictator Francisco Franco abhorred trade unions and imposed labor peace by force. Yet, during the early 1970s, labor was becoming too restive, too sophisticated and too well organized in a clandestine way for repression to work against it. To avoid both trouble and legal unions, the Franco government appeased labor by granting wage increases that outpaced the cost of living.

This policy continued after Franco died in November, 1975. The Suarez government, which legalized the unions a few weeks ago, permitted wage increases of 30 per cent last year. This has contributed to making Spain's inflation rate worse than that of its neighbors.

Meanwhile, the growth rate

was only four-tenths of 1 per cent, a standstill performance for all practical purposes. Performance improved last year, but at a rate of just under 2 per cent.

Spain's trade imbalance is critical. Last year, Spain imported goods worth \$8.8 billion more than the value of its exports. Oil imports accounted for half the deficit, but the problem cannot be blamed on the cost of oil alone.

Spain's main exports are iron and steel products, machinery, fruit, motor vehicles, shoes and ships. None of these are considered essential or unique. Customers have usually bought these goods from Spain because they cost less here than elsewhere. Now, Spanish inflation has eaten away at this competitive advantage.

In the past, Spanish trade deficits were covered by tourist spending, remittances from Spanish workers elsewhere in Europe and foreign investment. But (Continued on Page 2, Col. 6)

New Mideast Talks Also Set

U.S., Russia Reported Near SALT Formula

By Bernard Gwertzman

GENEVA, May 19 (NYT).—The United States and the Soviet Union were reported today working intensively on reaching a formula for breaking the deadlock in the negotiations for a new treaty limiting each side's strategic missile and long-range bomber force.

In addition to the apparent progress toward ending the impasse in the strategic arms talks, Secretary of State Cyrus Vance and Foreign Minister Andrei Gromyko discussed the Middle East situation and said later that a Geneva conference on the Middle East should go forward something this fall.

The main attraction was on the strategic arms talks. For the second consecutive day, the details of Mr. Vance's meetings with Mr. Gromyko on that sensitive subject were kept secret. But U.S. reporters were told privately that major progress toward overcoming the months-long deadlocks had been made and a compromise was likely.

Mr. Vance refused to characterize the arms talks and another high official said tonight that "we'll know tomorrow" if a breakthrough had been achieved. Yet a third member of the delegation said that he was confident that a compromise would be reached.

It was understood that the discussions have focused on providing a "framework" for the two sides to complete the negotiations on the treaty before the current five-year curb on some long-range missile launchers expires in October.

The essence of the compromise is said to be a "blending" of the three proposals—two U.S. and one Soviet—that had already been offered and rejected by the other side in Moscow in March. The Moscow mission by Mr. Vance resulted in sharp recriminations and a strain in relations.

A Related Mood
So far, the mood here has been relaxed and today U.S. members of the delegation seemed more encouraged by the prospects of a breakthrough than in recent weeks.

Hodding Carter 3d, Mr. Vance's spokesman and the only official source of information for the last two days, said today that the discussions were now intensive. Mr. Carter said that the two sides had agreed after two sessions on strategic arms, yesterday and today, totaling about five hours, to have a "pause" to allow time "to reflect further on the exchanges to date."

Reporters were told that the Soviet side had requested the pause to consult with Moscow on the formula being worked out here. The talks are due to resume tomorrow, Mr. Carter said.

Because of the apparent progress in the strategic arms field, Mr. Vance today delayed his departure for Washington. He had been scheduled to leave by tomorrow night but now, Mr. Carter said, the negotiations would continue at least until Saturday morning and perhaps longer.

The Middle East is the only subject under discussion in these meetings. Mr. Vance and Mr. Gromyko are the official chairmen of the Geneva conference on the Middle East. Today they conferred on that subject, but there were no plans for another session on the Middle East before Mr. Vance leaves.

Following the hour-and-a-half meeting, Mr. Gromyko told reporters that the two sides believed "the situation presently

existing in the Middle East is not normal, that it is potentially dangerous" and that a new Geneva conference should be convened.

Mr. Carter said later that the Middle East discussion was not convened in an atmosphere of crisis and that there was a recognition of the difficulty in finding a solution to the dispute.

The U.S. spokesman said that

Mr. Vance and Mr. Gromyko "reaffirmed the general agreement that the Geneva conference should go forward in the fall."

The Middle East discussion was held in Mr. Vance's suite in the Hotel Intercontinental. The talks on strategic arms have been held at the Soviet mission, a 3-minute drive from the hotel.

At Vladivostok in November, (Continued on Page 2, Col. 7)



Menachem Begin (left), head of victorious Likud party, with Gen. Ariel Sharon (ret.) on West Bank yesterday.

With Minor Israeli Parties

Likud Coalition Is Expected To Rule by a Bare Majority

By William E. Farrell

JERUSALEM, May 19 (NYT).—Israel's new reigning political body, the rightist Likud party today began unofficial contacts with other political parties as it sought to form the new majority coalition government that is expected to run the country for the next four years.

Officially, the Likud leader, Menachem Begin, who is likely to be Israel's next prime minister, is calling for a national-unity government comprising all of the country's major parties.

But it appears unlikely that the Labor party, which has run the country without interruption since Israel was founded until it was routed in Tuesday's general election, would consent to a political linkage with its major opponent.

In any event, the Likud appears able to put together a bare majority—61 seats in the 120-member Knesset, or parliament—without recourse to Labor and without the assistance of the country's third-ranking party, the Democratic Movement for Change.

Final Results Awaited

Tuesday's votes are still being counted and the final results will not be known for a few days. But based on the count to date, the Likud has 41 seats, Labor has 34 and the Democratic Movement has 14.

The next largest bloc of seats is that of the National Religious party, which has 12. In addition, another religious bloc—a combination of two parties, Aguda and Poalei Aguda, sometimes called the United Torah Front—has 3 seats.

The Likud is not expected to have much difficulty in securing the 17 seats of the religious parties. It is also expected to gain the 2 votes won by the Shomron party, headed by former Gen.

Ariel Sharon. Gen. Sharon has said he would be happy to be a part of the Likud government. That would make the total 60 seats.

In extremis, the Likud could probably obtain the seat won by Samuel Platto-Sharon, a millionaire who ran as a one-man party because he felt a seat in the Knesset would aid his fight against being extradited to France, where he is wanted on fraud and embezzlement charges.

More Seats Expected

But, according to Likud officials, the party is not expected to need Mr. Platto-Sharon's support since the Likud expects to pick up a few more seats in the final tally.

President Ephraim Kacir is expected within two weeks to ask Mr. Begin to form a new government. The new parliament is expected to hold its first session on June 6.

The victory of the Likud, which espouses a "hawkish" annexation policy regarding the Israeli-occupied territories of the West Bank and the Gaza Strip because of their connection with the ancient Jewish homeland, has caused a great deal of speculation here on how the party will handle its foreign relations.

The Likud's ascendancy has caused concern along the West Bank. Major Elharim Khalaf of Ramallah said that Mr. Begin's reference to the Arab lands as "liberated territories" was incendiary.

Mayor Fahad Kawasme of Hebron said he doubted that Mr. Begin would be able to implement the policies he long espoused when he led the opposition. I think the Likud may be forced to change its stance by American, Arab and internal pressures," Mr. Kawasme said.

Mr. Begin today visited an unauthorized Jewish settlement at Kaddum, midway between Tel Aviv and the Jordan River, in the occupied West Bank, and promised there would be "many" such settlements in the future, the Associated Press reported.

Arab Leaders Meet

RIYADH, May 19 (UPI).—The leaders of the Arab world met to decide their next moves after the surprise election results in Israel. King Khalid, Crown Prince Fahd, Egyptian President Anwar Sadat and Syrian President Hafez al-Assad gathered at Masyiah Palace.

Canada May Boost

Forces by 5,000 Men

BONN, May 19 (Reuters).—Canada is considering increasing the size of its armed forces by 4,000 to 5,000 men, Canadian Defense Minister Brian Mulroney said here today.

Mr. Mulroney arrived from Brussels for talks with German Defense Minister Georg Leber and to visit Canadian military units stationed in southern Germany.

Woman Sent to Remote Area

Exile Case Stirs S. Africa Protest

By John F. Burns

JOHANNESBURG, May 19 (UPI)—The South African government has provoked a new storm over its practice of "banning" political opponents by exiling a black woman named Winnie Mandela from her modest but comfortable Soweto home to a three-room brick house 200 miles away, that has neither electricity, running water, a bath nor a stove.

Mrs. Mandela is the wife of Nelson Mandela, the African National Congress leader serving a life sentence on Robben Island, the Atlantic fortress built for the country's most important political prisoners. That, and the severity of her banishment, have attracted unusual publicity in a country grown accustomed to such cases.

"The ugly thing done to Mrs. Mandela is devastating to her and to South Africa," the Rand Daily Mail, an opponent of apartheid, said this morning. An opposition member of Parliament, David Dalling, described it as brutal and said it should awaken South Africans to the absence of civil liberty here.

Police Raided Home

Mrs. Mandela, 43 and the mother of three children, was in her Soweto home, outside Johannesburg, when police raided it on Monday. The police loaded her furniture and possessions onto a truck and took her and her youngest child, daughter Zindzi, 18, to the small town of Brandfort in the Orange Free State. From there, they were taken to a black township nearby.

The region, strange to both of them, apparently was chosen because of its remoteness from the major urban areas that are the centers of black political activity. House No. 802 has no water-borne sewerage, like most government-built homes for blacks.

Justice Minister James Kruger has refused to discuss the reasons for the banishment. He only said that it had nothing to do with a possible visit to Soweto this weekend by Andrew Young, the U.S. representative at the United Nations. Mr. Kruger said that the length of the exile depended on Mrs. Mandela's behavior.

"I don't like to ban people," he said, adding that he frequently reviewed banning orders and lifted them where he considered it safe to do so.

A Common Practice

Banishment laws have been in effect for 50 years, but only since the current government came to power in 1948 has banishment become a common practice. In the government's first 20 years, 156 persons were banned. With

the resurgence of black political activity in the 1970s, the numbers have increased to about 150, now under current exile orders.

The Institute of Race Relations, a private research unit that made the estimate, calculates that about three times as many persons are held in detention without trial, the severest restraint for political opponents who have committed no chargeable offense. In both cases, the figures rose after last year's anti-government riots and the accompanying crackdown on dissidents.

Banning has been compared by

some with the process of becoming a "nonperson" envisaged by George Orwell in his novel, "1984." In South Africa, the banned are not physically eliminated, but they cease to exist, politically, as effectively as they did in the totalitarian state depicted by Orwell.

Meetings Limited

The banning orders, issued under the Internal Security Act, one of dozens of laws controlling dissent, vary in each case. But they always prohibit attendance at gatherings, political or otherwise, and frequently limit the individual to meeting no more than one person outside his family at a time. Speaking or writing for publication is invariably proscribed.

The individual's movements are sharply circumscribed, usually to the township where he lives and sometimes to the city it adjoins. He will often be subject to a dawn-to-dusk curfew. If his job requires him to go outside the restricted area, as is commonly the case, he will lose it. If it involves an organization with social or political goals, he will be barred from it.

Banishment to another area of the country is relatively unusual, although not so much so in the case of the more influential dissidents. Robert Sobukwe, leader of the banned Pan-Africanist Congress, was restricted to the diamond-mining town of Kimberley, far from his home, when he was released from nine years' imprisonment on Robben Island. His restriction order, renewed in 1974, expires in 1978.

Mrs. Mandela's banishment to the town of Brandfort began at the time of her husband's imprisonment on sabotage charges in 1964. In 1969-70, she spent 18 months in jail before being acquitted, in two successive trials, of charges of subversive activities. After her second acquittal, she was banned for five years. The restricting order confined her to the Soweto area where she lived and forbade her to leave her house at night and on weekends.

In August, despite her appeals for peace in the township, she was re-arrested and held for four months. On her release, she was banned for another five years, although she was permitted to work as a \$400-a-month credit controller, in Johannesburg. This week, her employer, Henry Hirsch, said that he did not intend to dismiss her and would continue "to look after her."

Mrs. Mandela's restriction expires in December, 1981, but the government frequently renews its restrictions. Her restriction will prohibit her from visiting her husband at the Robben Island prison. Mr. Kruger has said that Mrs. Mandela, 59, would remain in prison until the end of his life.



United States Ambassador to UN Andrew Young and Mozambique President Samora Machel walking together at conference hall in Maputo during UN meeting Wednesday.

Young Urges Economic Boycott by Blacks

(Continued from Page 1) that there was a "credibility gap" in previous U.S. foreign policy, but under the Carter administration "there has been something of a revolution in policy."

He added, "I respect your skepticism and even your cynicism, but there is a change in America that makes me extremely hopeful" about the future of peaceful settlements.

Mr. Young said the United States and other Western nations intended to "follow up aggressively" new initiatives on Rhodesia and Namibia. Refusal to take daring steps now will make progress later much more painful, if not impossible. Time is the enemy, even in South Africa itself, he added.

He repeatedly warned about the consequences of a prolonged war. "The armed struggle exacts a cruel price. Africans need the leadership that will be lost in a prolonged struggle. It needs the infrastructure that will be destroyed in extended military conflict."

Western Effort

His speech was part of a major Western effort at the conference to convince skeptical black leaders that renewed peace initiatives were credible. British Minister of State Ted Rowlands delivered a similar appeal for continued patience earlier in the week.

Black leaders interviewed appeared willing to give the West-

ern powers the go-ahead, but repeatedly stressed they would also continue to escalate the armed struggle.

In his speech, Mr. Young repeatedly tried to identify with southern African problems through experiences in the U.S. civil rights movement and even Watergate.

"We have had to struggle

UN Chief Says Geneva Talks Unlikely in '77

By Christopher S. Wren

GENEVA, May 19.—The secretary-general of the United Nations, Kurt Waldheim, predicted today that the result of Tuesday's Israeli elections would probably preclude a new peace conference on the Middle East from getting under way this year.

His contention, delivered at a press conference, was later tacitly contradicted by Secretary of State Cyrus Vance and Soviet Foreign Minister Andrei Gromyko, who concluded this afternoon that the Middle East peace conference should be held in Geneva this fall.

They disclosed no immediate proposals for doing this and it was possible that their consensus, which was reported by State Department spokesman Hodding Carter 3d, was intended in part to dilute the impact of the secretary-general's prediction this morning.

Alluding to the upset victory scored by Israel's rightist Likud party two days ago, Mr. Waldheim said: "I think that the negotiating process will evidently be influenced by this new situation and I expect a delay in the reconvening of the Geneva conference."

If there was no progress this year toward a peace settlement in the area, the secretary-general continued, conditions could deteriorate so dramatically that "I would not exclude in such a case another military confrontation."

His pessimistic assessment, coming just before Mr. Vance and Mr. Gromyko turned their attention today to the Middle East, annoyed some officials in the U.S. delegation, who have avoided speculating about what impact the Likud party's victory may have on the region.

Mr. Carter, the State Department spokesman, said that "I think that Mr. Waldheim, when pressed, made it very clear that he was speaking for himself and not for Mr. Vance or Mr. Gromyko." Another U.S. official complained privately that Mr. Waldheim liked to leave the impression that he was speaking for others.

Tremor Strikes Taiwan

TAIPEI, May 19 (UPI)—A light earthquake shook the Hsueh area in eastern Taiwan yesterday. No casualties were reported.

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U.S., Russia Reportedly N Formula for SALT Acco

(Continued from Page 1)

1974, Soviet leader Leonid Brezhnev and former President Gerald Ford signed an outline agreement for the new treaty to replace the 1972 interim accord signed by Mr. Brezhnev and former President Richard Nixon. The Vladivostok accord said that each side would be limited to 2,400 offensive strategic missile launchers and long-range heavy bombers.

Of that total, each side could have 1,320 missile launchers with multiple warheads, the so-called MIRVs. Since 1974, they have disagreed on what weapons systems to include in the total. Specifically, the Russians have wanted cuts on a U.S. Cruise missile, which flies at low altitudes like a pilotless plane and is highly accurate. The United States has said a new Soviet bomber, known in the West as the Backfire, should be included.

In January of last year, they were reported close to a compromise accord, but because it was a U.S. election year, the negotiations stalled off in March. Mr. Vance brought two proposals. One, the so-called "deep-cuts" option, would take a radical look at the negotiations and reduce the Vladivostok level to 1,800 to 2,000 and institute corresponding cuts and freezes.

The other "vance option" was the so-called "deferral" to sign an accord at the 2,400 level but put off the Cruise missile and Backfire to the next stage, known as SALT 3. The Russians repeated their insistence on a 2,400-level approach that included the Cruise missile.

Mr. Vance said in Tehran last week that he hoped to work out a "synthesis" of the three proposals. He and other U.S. officials met in Washington after Mr. Vance's trip with Soviet Ambassador Anatoly Dobrynin to find ways to end the impasse.

It is understood that the formula now near agreement would be at or near the 2,400 Vladivostok total. The Russians in the past have agreed to a modest cut of 100 or 200 in that total. There would also be some restraints on the Cruise missile and the Backfire, it is believed, and an explicit pledge to begin negotiations promptly on major reductions when the SALT 3 negotiations begin after adoption of the new accord.

Kaunda Claims Rhodesia Mined Zambia Border

NDOLA, Zambia, May 19 (AP)—President Kenneth Kaunda said today the firing yesterday across his country's border with Rhodesia was triggered by the killing of an undisclosed number of Zambians in border land-mine explosions.

Mr. Kaunda said the mines were planted by Rhodesian security forces on Zambian soil. The Zambian leader, addressing an airport crowd here, did not say where on the 450-mile border the explosions occurred.

In Salisbury, a Rhodesian government spokesman immediately denied that any mines had been laid.

Rhodesian security chiefs reported yesterday that Zambian troops had attacked the north-western town of Victoria Falls. Five mortar shells reportedly landed near the town, causing no damage.

2 Blast in Rhodesia

SALISBURY, Rhodesia, May 19 (UPI)—Police said today that two explosions in black townships of Bulawayo, Rhodesia's second largest city, wounded a number of Africans Wednesday night, one of whom has since died.

Military sources said about 25 persons were wounded, and employees of the Mpilo Hospital for blacks in Bulawayo said 2 persons died.

French Save 80

TOULON, France, May 19.—French helicopters crew members of a sear in danger of sinking last night and carrier French aircraft carriers they were reported as

Spain Puts Off Tough Action on Econo

(Continued from Page 1) per cent by the end of this year. Inflation has been accompanied by an increase in unemployment. There are some differences about statistics in this area. During his recent visit to the United States, Premier Suarez said that Spanish unemployment had risen to 4 per cent last year. But the Organisation for Economic Co-operation and Development (OECD) put the figure at 5.5 per cent.

In any case, 780,000 Spaniards were out of work at the end of last year and the OECD predicts that more than a million will be out of work at the end of this year.

To help alleviate the economic crisis, particularly the problem in its balance of payments, the Suarez government borrowed \$1 billion last August from a group of U.S. and European banks. A new \$1-billion loan has been requested from six U.S. banks. Once the elections are over, however, the government will have to do far more than borrow

The actual drafting of should not take long. Framework is agreed. Technical sections of the treaty have been in the last two years. I Paul Warnke, the direct Arms Control and Disarmament Agency and the head of delegation to the Strategic Limitation Talks, resumed talks with Vladimir the Soviet counterpart, of these remaining issues.

A communique on t onday talks is expected row, Mr. Carter said.

Those participating on side besides Mr. Vance Warnke were: Malco ambassador to the Sov. Ralph Egan 2d, Mr. Deputy William Hyle member of the Nations Council; Leslie Gelb, of the Bureau of Public Affairs in the State D and William Krimer, preter.

British Pr Into Leyla

(Continued from P did not exist. A spok British Leyland said: "We've looked high an can't find the letter and can't recall receiving it."

Secretary Accu

The story spoke of "count arrangements" been "nodded through" retary of state."

Mr. Varley, the sec missed this in the Cor reject and repudiate s tices as suggested," he "I could never in any c circumstances give the prevail or even disuse them, except to repud But the editor of t David English, said: t he had no doubt abo the authenticity of the l tter, publish a photograph of row.

The story spoke of "ly breaking fax and regulations," "padding" "handing over large l cash, known as 'salts' to agents at secret Lc use."

"Our investigations these practices have n tact approval of L chairman of the Natl prize Board," the story fact in itself is extrao it files directly in the government's own p pressed commitment out business bribery tion."

Brazil May Arms to Are

BEIRUT, May 19.—Brazil is quietly moving Middle East arms in armored car sal negotiations with the magazine Events.

The Beirut and Lo magazine said, "Braz and industrial salesm verging on Arab capl ing military sources, l Brazil has already sal caval and Urutu arm cles to Libya and is deals for 200 more Dhabl and 700 for T

The magazine said multimillion-dollar des ed at offsetting Braz bures for Arab oil.

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money overseas. He expect it to devastat and inaugurate a v austerity. The hardsh prices, a limit on wa continued unemploy have to be absorbed. Thus, the government to suppress unions' parties in an effort to the so-called social p

There is a troublon as to whether t ment can offer labor anything in exchange hardships. Some anal that Mr. Suarez will left with the appoint Socialist to his Cabine elections. That wou more than an attempt the left.

Labor might accep if it felt that the m upper classes would bept hardships, too. A of four decades of fac classes are privileged.

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The brandy Napoleon did not drink



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مكتبة في القاهرة

Nixon, in Television Interview, Defends President's Right to Order Illegal Acts

By M. Naughton
WASHINGTON, May 19 (NYT).—President Richard M. Nixon declared in a television interview tonight that he had the power to order wiretapping or other eavesdropping or other acts against U.S. citizens if he was in the White House and the president does it, that means that it is not illegal.

He told interviewer David Frost in the third installment of their videotaped conversations. The statement crystallized an attitude that the House Judiciary Committee ruled was an abuse of power in the impeachment proceedings that led to Mr. Nixon's resignation in 1974. Discussing the domestic turmoil

produced by the Vietnam war, the former president rationalized that the so-called Huston plan to spy on dissidents, the creation of the White House "plumbers" unit and the White House-sanctioned burglary of the offices of Daniel Ellsberg's psychiatrist had been logical extensions of presidential authority to maintain internal order.

"In retrospect," an apparently incredulous Mr. Frost asked, "wouldn't it have been better" to have sought legislative remedies rather than "adding another crime to the list" of charges that drove Mr. Nixon from office? "The proposition you've just stated in theory is perfect," Mr. Nixon replied. "In practice, it just won't work."

He said it "would not only have raised an outcry" if he had asked Congress for approval of warrantless wiretaps or burglaries as devices to deal with dissidents, but would also have thwarted such covert operations by alerting "potential targets" that the government meant to spy on its citizens.

"An action's either going to be covert or not," Mr. Nixon said. Coincidentally, the telecast of Mr. Nixon's views took place a day after President Carter asked Congress to enact legislation specifically prohibiting government use of wiretaps without prior court order. Mr. Carter said the measure could eliminate "some of the distrust and dissension" bred by disclosures of past eavesdropping.

Mr. Nixon denied having known in advance that Howard Hunt Jr. and Gordon Liddy, the principal operatives of the "plumbers" unit, planned to break into the Los Angeles office of Dr. Lewis Fielding on Sept. 3, 1971. The unit was seeking the psychiatrist's files on Mr. Ellsberg, who had assumed responsibility for making public the secret Pentagon papers three months earlier.

House Looks at Curbs on Executive-Memoirs Deals

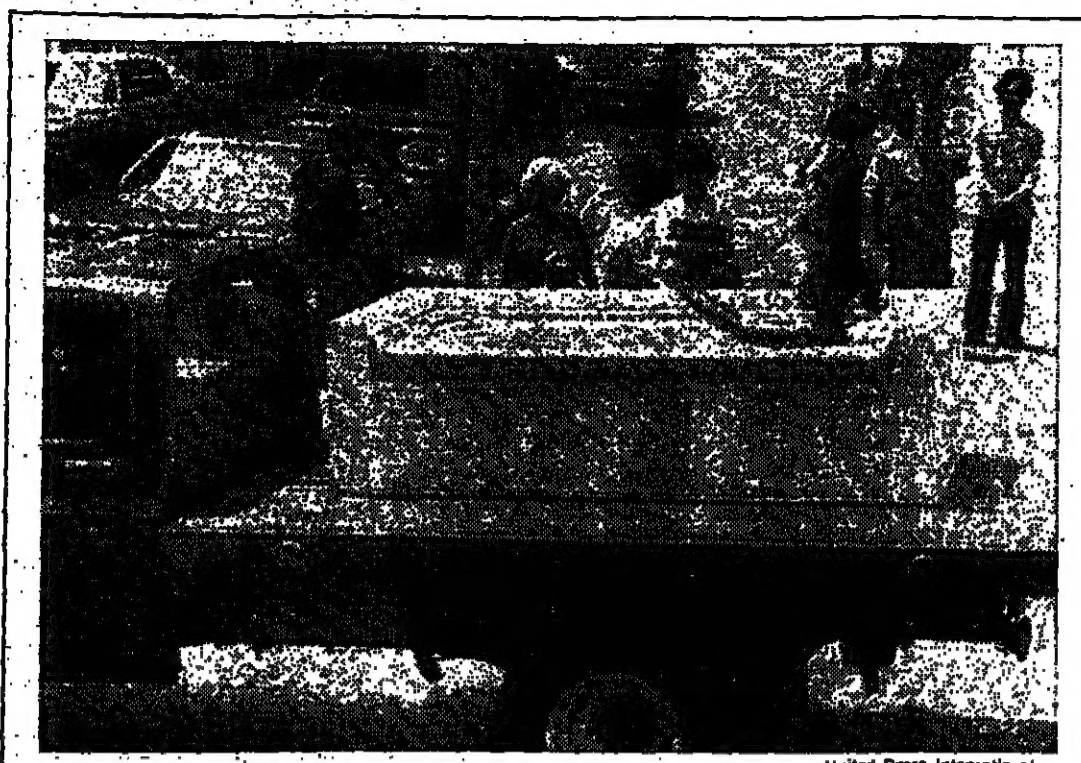
By Warren Weaver Jr.
WASHINGTON, May 19 (NYT).—House officials have begun to discourage profit-making deals for departmental officials, in requirement that all a period of two years overment. The move, while the ethics and conflict-of-interest legislation that was President Carter two expressed concern propriety of former officials on information the course of public not figure out any way to limit this sort of deal. Robert Lipshutz, house counsel, "There is a very serious First Amendment of speech involved."

He said he believed, the administration require White House and other officials not to make within three after leaving government would go to the

Be Legal
restriction were a continued employment, it could, in theory, challenge that it curbed only it, not freedom of

sident Gerald Ford have agreed to write a memoirs, \$1 million. Henry former secretary of ed a \$1.5-million telecast. The rights to former President m also reportedly \$3 million.

problem is broader, the turning of to private gain. In



HOW TO STOP TRAFFIC—Attractive young model taking bath on flatbed truck in downtown St. Louis as part of commercial being filmed for bathtub manufacturer.

documents and 800 reels of tape sent to a government facility in California. Under an agreement approved by Arthur Sampson, then head of the General Services Administration, the former president would have had sole access to the papers for three years and the tapes for five.

When the Watergate special prosecutor delayed this agreement, Mr. Nixon went to court to enforce its terms.

Congress had already begun work on legislation dealing with the problem. In December, 1974, President Ford signed a bill giving the GSA custody of the contested material and instructing the agency to return purely personal papers to Mr. Nixon and to provide regulated public access to the rest.

Mr. Nixon's lawyers challenged this, charging that it was a violation of the First Amendment. In January, 1976, a three-judge Federal District Court unanimously rejected these arguments. An appeal by Mr. Nixon to the Supreme Court is expected to be decided in the next six weeks.

The legislation also requires the GSA to write regulations on public access to the Nixon papers and those of future presidents. Three sets of such regulations have been rejected by Congress or withdrawn. A fourth submission is expected in the next two weeks.

In the same bill that kept the Nixon papers in Washington, Congress created a commission to make recommendations on the broad area of ownership of public documents. Late last month, its final report urged that all "job-

related" papers of presidents, members of Congress and federal judges become public property. Congress must now decide whether to adopt, modify or reject this proposal.

Another problem in this area is the so-called "revolving door" phenomenon, under which some government employees have resigned and joined private industry on the opposite side of the same issues they dealt with as public servants.

Mr. Lipshutz, who was primarily responsible for putting together the Carter ethics and conflict-of-interest program, does not see any present likelihood that the President will venture into the sensitive and legally complicated area of former government employees

Possible Warning
But Mr. Nixon conceded that John Ehrlichman, then the White House aide who supervised the "plumbers" might have forewarned him that Hunt and Liddy intended to go "operational" to get files that the psychiatrist had refused to turn over to the Federal Bureau of Investigation.

Although the former president said he could not recall any conversation in which Ehrlichman had alerted him, he added: "He may have. And if he had I would have said, 'Go right ahead.'"

His unabashed approval of the burglary, after the fact, was in accord with Mr. Nixon's theory that he was entitled to use extralegal means to deal with the anti-war movement, which he considered a threat to secret diplomacy to end U.S. involvement in the Vietnam war.

On July 23, 1970, Mr. Nixon ordered the implementation of a plan drafted by Tom Huston, then a deputy White House counsel, to use electronic eavesdropping, opening of mail and other surveillance methods against domestic dissidents.

The Huston plan, as it became known, specifically noted that techniques such as "surreptitious entry"—or burglary—were "clearly illegal." Mr. Nixon rescinded his approval five days later because of objections by FBI director J. Edgar Hoover.

Legal by Definition
Asked by Mr. Frost if the Huston plan and other White House ventures amounted to a presidential fiat to commit illegal acts, Mr. Nixon readily agreed.

"Well, when the president does it," he said, "that means that it is not illegal."

of a threat to internal peace and order of, of significant magnitude, then the president's decision in that instance is one that enables those who carry it out to carry it out without violating a law. Otherwise they're in an impossible position."

But the former president recoiled, stammering and objecting, from Mr. Frost's disingenuous question whether such a rationale would also permit a president to order murder.

"There are degrees, there are nuances which are difficult to explain," Mr. Nixon said eventually.

"The dividing line is the president's judgment?" Mr. Frost prompted. Mr. Nixon agreed.

Built-In Restraints
He also said, "just so that one does not get the impression that a president can run amok in this country and get away with it," that there were built-in political and legislative restraints.

A president "has to come up before the electorate," he said, and has to make limited disclosures of covert activities to "trusted members of Congress" in pursuit of appropriations.

The exchange about presidential powers ended with Mr. Frost saying he did not believe it was intended that the Huston plan should ever be disclosed to the electorate or to Congress.

"That's correct, that's correct," Mr. Nixon said.

Mr. Nixon's theme closely paralleled one that was rejected by members of the Senate Watergate Committee when Ehrlichman first

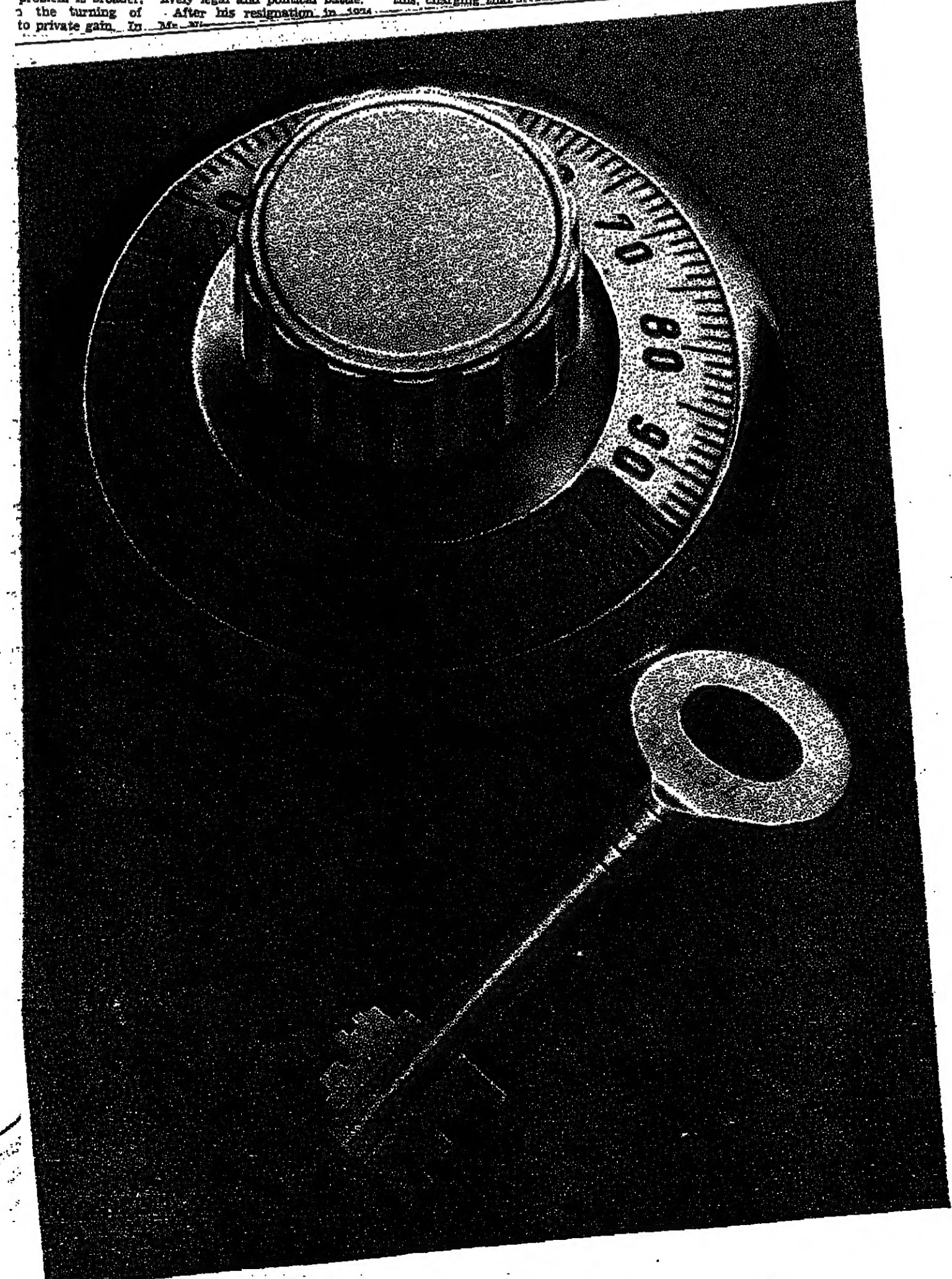
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Would Require Warrant

Carter Introduces Bill to Limit U.S. Wiretaps

By Edward Walsh

WASHINGTON, May 19 (UPI).—President Carter asked Congress yesterday to enact legislation that would require a warrant from a judge before it could engage in wiretapping or other electronic surveillance activities within the United States.

The measure, modified from an earlier draft largely to meet objections from congressional liberals, rejects the disputed doctrine of "inherent presidential power" to authorize wiretapping in foreign intelligence cases without a judicial warrant.

Although the administration proposal was warmly praised, some members of Congress cautioned that it is not entirely satisfactory and undoubtedly will be altered by Congress.

A major problem is a provision that would allow wiretaps under a so-called "noncriminal standard," as well as in cases in which the target of a wiretap is suspected of engaging in espionage, sabotage or terrorism in violation of U.S. law.

The noncriminal standard would involve cases in which the

target is alleged to be engaged in clandestine activities that are harmful to the security of the United States.

Questions and Complaints

It was one of the provisions that was modified to meet earlier objections, but its existence still produced questions and complaints from Sen. Edward Kennedy, D-Mass., the American Civil Liberties Union and others who argue that wiretaps should be authorized only when criminal activity is suspected.

Other objections included complaints that the bill would give less protection to foreign visitors than to U.S. citizens and permanent resident aliens, and that it would still allow, without a warrant, electronic surveillance of U.S. citizens who are outside the United States.

The Carter administration has pledged to develop separate legislation dealing with surveillance of Americans abroad. However, Sen. Birch Bayh, D-Ind., chairman of the Senate Intelligence Committee, said that he may try to add such a provision to the bill that was introduced yesterday.

Last year, the Ford administration proposed similar legislation. It was approved by wide margins by the Senate Judiciary and Intelligence Committees, but Congress adjourned before the Senate acted on it.

'Umbrella' Charter

WASHINGTON, May 19 (UPI).—The Senate Intelligence Committee is drafting an "umbrella" charter that would put the nation's intelligence agencies under a powerful new director for national intelligence with budget-making and whistle-blowing authority.

In its first annual report since it was permanently established, the committee said that the proposed charter would set down the authority for each component, most notably the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency and the counterintelligence division of the FBI. It would also establish restrictions aimed at protecting the rights of U.S. citizens.

The CIA would have a separate, subordinate director. Currently, the CIA director is also

nominal head of the entire intelligence community, but in practice he has little real authority over the NSA, a supersecret arm of the Pentagon, which specializes in communications intercepts, or over the FBI, which is theoretically subservient to the Justice Department.

The 40-page report voiced confidence that with the committee's secretly developed oversight procedures, and the enactment of effective new charters, "We will not see a repetition of the widespread abuses of the past."

FBI Wants Charter

LOS ANGELES, May 19 (AP).—FBI director Clarence Kelley asked Congress yesterday for legislation spelling out what tactics the bureau may use in domestic security and foreign spy investigations.

"Give us a charter spelling out effective measures that are lawful, and we will abide by it," Mr. Kelley said.

CIA Sued

NEW YORK, May 19 (AP).—A former Columbia University lecturer filed a \$300,000 damage suit in Brooklyn Federal Court yesterday, charging that the Central Intelligence Agency illegally opened about 800 of his letters, sent to and from the Soviet Union between 1957 and 1972.

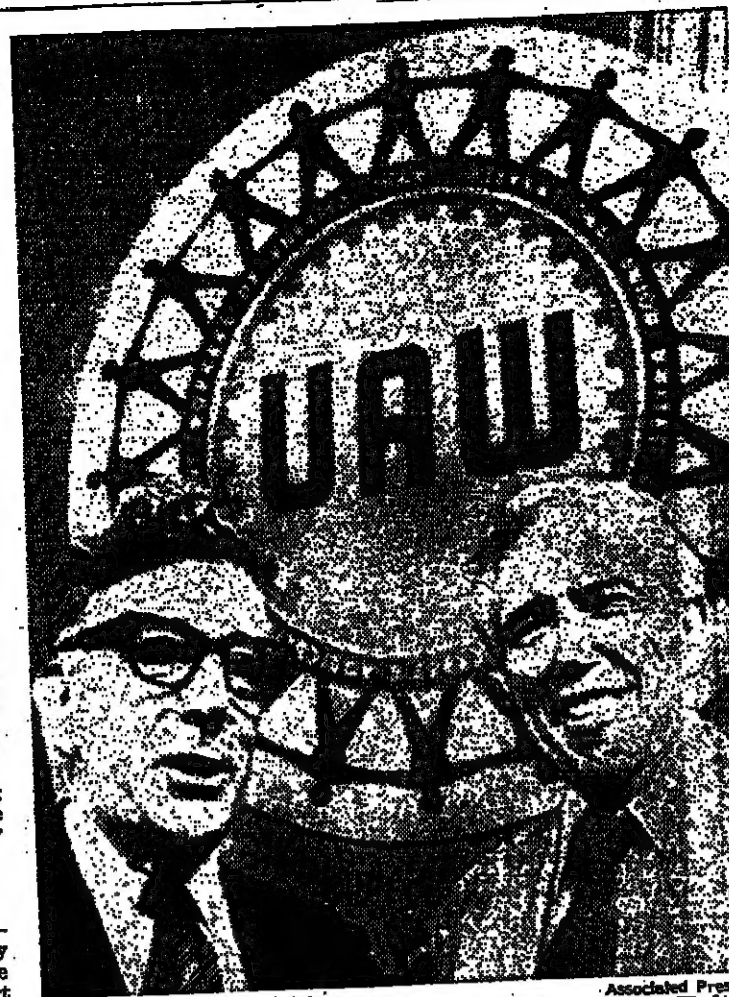
Named as defendants in the case brought by 75-year-old Corlies Lamont are the Central Intelligence Agency, the federal government, former CIA director Richard Helms, and James Angleton, former chief of the agency's counterintelligence staff.

Mr. Lamont is also seeking a permanent injunction that would prohibit the CIA from opening his letters in the future.

Boston, Philadelphia Given Discount Fares

WASHINGTON, May 19 (AP).—The Civil Aeronautics Board has allowed an expansion of the so-called "super-saver" transcontinental fares for flights from Boston or Philadelphia to Los Angeles or San Francisco.

At present, the fares are available only between New York and Los Angeles and San Francisco. The fares offer up to a 44-percent discount on round-trip transcontinental air travel. Passengers must buy tickets 30 days in advance and stay between 7 and 45 days.



Leonard Woodcock (left), former head of the United Automobile Workers, and his successor Douglas Fraser.

UAW Elects Fraser as Chief, Considered a Liberal Activist

By William K. Stevens

LOS ANGELES, May 19 (UPI).—Douglas Fraser, who emigrated from Scotland at the age of 6, went to work in a Detroit auto plant at 18 and grew up with the union, was elected president of the United Automobile Workers yesterday.

He succeeds Leonard Woodcock and the late Walter Reuther. Mr. Fraser is considered a tough, gregarious leader in the liberal activist tradition of Mr. Reuther.

He said at a news conference after his election that President Carter's address to the union's 50th anniversary here Tuesday was on balance "a very progressive speech" that made him feel as if the union had a friend in the White House.

Mr. Fraser's name was placed in nomination by Mr. Woodcock at the convention yesterday morning. He missed an early election by acclamation when a token candidate nominated him.

certain to follow in his footsteps, as Mr. Woodcock did.

However, Mr. Fraser has said that he plans to hold the Carter administration—or any president—at arm's length so that the union can maintain its independence. He said that the union supported the Vietnam war too long against its better judgment, largely because of Mr. Reuther's close relationship with President Johnson.

Both of Mr. Fraser's predecessors developed close ties with Democratic presidents. Mr. Woodcock, who must retire because he is 65, is slated to become the U.S. envoy to Peking.

Standby-Tax Use As Fund Barred By White House

WASHINGTON, May 19 (UPI).

The White House apparently ruled today from a budget-revenue point of view that a proposed tax on transportation projects and energy research.

Mr. Carter's press secretary, Jody Powell, said that the President wants any money raised by such a tax to be rebated directly to consumers, just as Mr. Carter proposed when he unveiled his energy plan April 20.

Mr. Powell contended that Transportation Secretary Brock Adams was acting on his own before the House Ways and Means Committee, he broached the idea of using the money for transportation and energy projects.

However, he did not deny that Mr. Adams got Mr. Carter's clearance to make the suggestion. What appeared to be behind the confusing mélange of statements and counterstatements was a desire by the administration to signal that it might accept the idea if Congress insisted on it as a price for enacting the unpopular gasoline tax—but to flash that signal without requiring Mr. Carter himself to endorse such a compromise now.

Some administration officials suggested that Mr. Adams "just went too far out on a limb."

U.S. Bars Paying For N.H. A Site in

CONCORD, N.H., May 19 (AP).

New Hampshire's request for federal funds to pay for the "battle of Seabrook" has been rejected by Gov. Meldrum. Thompson says that he may have to ask the legislature for a special appropriation.

Gov. Thompson confirmed yesterday that the Law Enforcement Assistance Administration refused to pay the \$889,461 to build an arrest and jail 1,414 demonstrators who sat in at the construction site of the Seabrook nuclear power plant May 1.

The demonstrators were jailed for almost two weeks in five armories after they were refused personal reconnaissance bond by the courts.

N. Zealand Climbers Quit

KATMANDU, May 19 (UPI).

An eight-member New Zealand climbing expedition abandoned its attempt to climb Mount Everest because of chills, factors resulting from high winds, the Foreign Ministry announced today.

Effort to Repeal U.S. Hatch Act Stalled in House

WASHINGTON, May 19 (UPI).

Supporters of a bill that would remove the restrictions on political participation by 2.3 million federal workers withdrew the measure from the House floor last night after opponents attached an anti-union amendment.

According to labor lobbyists and Rep. William Ford, D-Mich., the amendment, offered by Rep. John Ashbrook, R-Ohio, would prevent federal employees unions from using dues or fees for any political purpose.

The bill was intended to largely repeal the Hatch Act, under which employees can vote, voluntarily contribute to a campaign, express their opinions, wear buttons and run for nonpartisan offices, but cannot work in a campaign, solicit contributions or run for office.

Rep. Ford predicted the bill would be passed when the House took it up again, possibly next week.

Scheel Asks for Talks On a United Europe

AACHEN, West Germany May 19 (UPI).—President Walter Scheel appealed today for a united Europe and called for discussions on concrete proposals for a European constitution.

Mr. Scheel made the statement on receiving the International Charlemagne Prize presented each year for special services in the interests of European unity. The 21 holders of the prize from 11 nations have included Winston Churchill, Konrad Adenauer and Robert Schuman.

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Quebec Ready to Compromise On Language to Keep Firm

By Henry Gieger

MONTREAL, May 19 (UPI).—Threats by large companies to leave Quebec rather than submit to coercive language measures are being taken seriously by the Quebec government, which is ready to negotiate agreements with them.

Camille Laurin, minister of cultural development and principal author of a policy that seeks to make French the common language of all Quebecers, said that he did not want the companies to leave. He stressed that he was prepared to be flexible on how new language rules were applied to large head offices whose operations until now have been conducted almost exclusively in English.

"We are ready to bargain without sacrificing principle," Mr. Laurin said. He described the government as a social democratic and representative of the great majority of workers, whose language is French and who are no longer willing to have English imposed on them as a condition for economic advancement.

The new legislation to make Quebec as French as possible would, in effect, require the English-speaking minority to adapt to the French majority. The bill is expected to be approved this summer.

It has provoked angry reactions from English speakers and warnings from companies whose top management is almost invariably English-speaking that they will leave Quebec. The companies have warned that this would mean the loss of hundreds of millions of dollars for the Quebec economy.

Severe Tactics Mr. Laurin said that he viewed such warnings as scare tactics and bargaining efforts. Leaving would be expensive for such companies, he said. He added, however, that Quebec officials would be prepared to work out a compromise with company officials.

The companies believe that their interests go beyond Quebec and that the language of Canadian and international business is English. Mr. Laurin said that offi-

cials were willing to deal between these interests and activities in Montreal. The language bill makes only a reference to "the particular of head offices." Specifics are left to regulatory bodies drawn up and to which will require all or with 50 employees or more: the use of French French speakers at all levels.

Mr. Laurin said that he had U.S.-owned companies to deal with. "A more adaptable being have interests in all parts of the world. They are more and know when it is make concessions."

Mr. Laurin said that companies are resisting cause they do not like government on general. They think they no stake if they yield on tion, and they don't want face," he said.

He said that the came to the govern they needed help, but hated officials having their operations.

The new bill would restrictions on hiring, impose fines penalties for noncom in companies with employees, establish a program. A third of mites would consist of Mr. Laurin said the companies such rest management's acti anathema.

He warned, however, companies would have their social respons satisfied worker is producer and is le conflict," he said. " should gain in this."

Corvalan in Buc

BUDAPEST, May 19

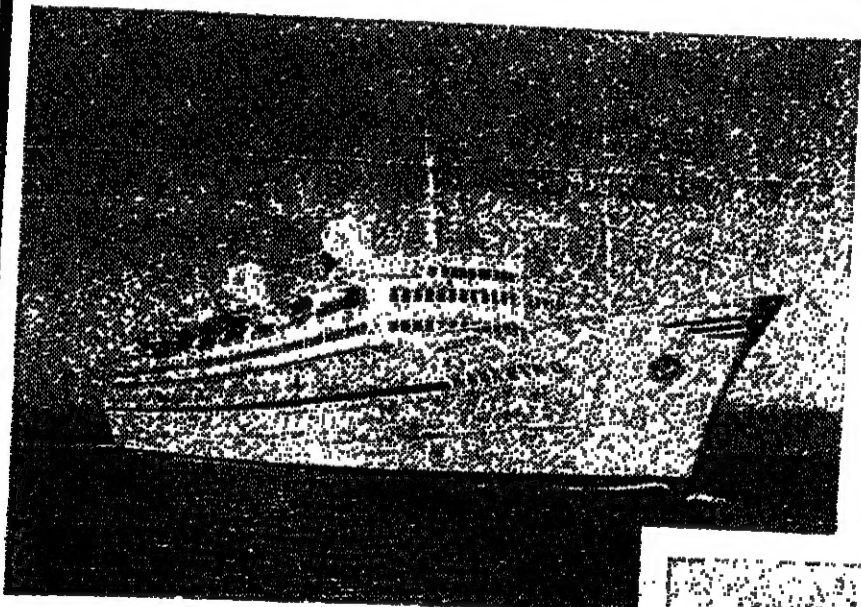
—Eduard Corvalan leader Luis Corvalan a state reception on Budapest yesterday East European tour.

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Centrally located within walking distance of the business and entertainment center of the city, this is the finest hotel in Athens. The Hilton offers five great restaurants, splendid guest rooms, an outdoor pool and many other facilities.

ملكو من الجمل

Earlier Appeal

Kennedy Calls on Americans to Back Ulster Violence

By Dena Kleiman

NEW YORK, May 19 (NYT)—Sen. Edward Kennedy called on Americans to help work for peace in Ireland, saying that turn aside our eyes from the violence in the north of Ireland. Kennedy said that "those engaged in the path of violence are the enemy of the people of Ireland." Kennedy said that he had spoken with New York Gov. Hugh Carey, Sen. Daniel Patrick Moynihan and Speaker of the House Carl Albert on the eve of his visit to Ireland. Kennedy said that he would be in Ireland for a week, during which he would meet with Irish leaders and officials. Kennedy said that he would be in Ireland for a week, during which he would meet with Irish leaders and officials. Kennedy said that he would be in Ireland for a week, during which he would meet with Irish leaders and officials.



Sen. Edward Kennedy

Paisley Party Makes Gains in N. Ireland Local Elections

BELFAST, May 19 (UPI)—The official Unionist party maintained its position today as the biggest political force in Northern Ireland, but local government elections showed unexpected successes for the Rev. Ian Paisley's hard-line Protestant candidates.

Mr. Paisley was not a candidate, but had 110 supporters contesting the elections under the banner of his Democratic Unionist party (DUP). With 223 of the 536 seats filled, the results were: Official Unionists, 71; Social Democratic and Labor party (mainly Roman Catholics), 49; DUP, 42; Alliance party (middle of the road), 31; independents and others, 30.

Political commentators had predicted a backlash vote against Mr. Paisley for his role as leader of the recent general strike which collapsed after 11 days, but voting trends showed increased support for his policies.

At the halfway mark in counting results, Mr. Paisley's candidates had captured 8 more seats than their total of 24 in the 1973 local elections.

Vote of Confidence
"It is a solid vote of confidence," Mr. Paisley said. "I asked for endorsement of my stand and I got it."

Paisley candidates captured 11 seats in his home town of Ballymena, giving them control of the council in an area which had been a center of strife during the general strike.

John Taylor, a spokesman for the Official Unionists, who ruled the province for more than 50 years, said that the results showed a "clear reversal in some areas. But he added, 'We are still the biggest and strongest party in Northern Ireland.'"

Basel Glass, deputy leader of the Alliance party, which showed a 10-per-cent increase in its vote, said, "Our success has been mainly at the expense of the Official Unionists. The results show that there is a big market for cross-community politics, which we stand for."

Bonn Approves Security Funds
BONN, May 19 (Reuters)—The West German Cabinet today approved spending 40 million marks (about \$17 million) during the next four years to combat urban guerrillas.

The Interior Ministry said that most of the money would be spent on strengthening the anti-terrorist department of the police, the counterintelligence agency and immigration controls at airports.

A ministry spokesman said he could not give the total amount West Germany now spends on anti-terrorist measures, because much of the money is from budgets that also cover other police activities.

2 Women Flee to West
HANNOVER, May 19 (Reuters)—A 56-year-old East German woman and her daughter, 31, escaped to the West across the heavily fortified East German border.

Torrijos Denies Shift on Canal Neutrality Issue
PANAMA CITY, May 19 (WP)—Panama's strongman, Brig. Gen. Omar Torrijos, has emphatically denied a Washington Post report (HT, May 18) quoting him as saying that Panama could accept a future U.S. military role in guaranteeing the neutrality of the canal once it passes into Panamanian hands.

The report was interpreted as indicating an important shift of Torrijos' position on the crucial neutrality issue. If it became Panama's official negotiating position, it would have a major impact on the current treaty talks in Washington.

Gen. Torrijos was quoted as being prepared to accept the principle that the United States could take action against a third country if necessary to safeguard the canal's neutrality. A U.S. official connected with the canal discussions called the statement a "real breakthrough" if true.

The denial by Gen. Torrijos did not surprise diplomats here who felt that the general may have regretted disclosing prematurely his government's negotiating position and possibly embarrassing several Latin American governments who had been backing Panama's position.

Talks Resume
WASHINGTON, May 19 (Reuters)—Talks on the future of the Panama Canal resumed yesterday after Panamanian negotiators returned from consultations with Gen. Torrijos. A State Department spokesman said that the talks were "productive" and that the two sides had agreed to resume talks on May 21.

Menaces Gains
Some military officers, saying that the planned withdrawal may jeopardize gains made here during the last 24 years and pose serious military and credibility problems, are trying to influence Washington policy decisions.

"I don't know anybody who is not staggered by it," a headquarters Army officer said of the planned withdrawal. "There's no military or strategic logic for withdrawal. In fact, there's a very good case for reinforcing U.S. strength in South Korea."

Gen. Singlaub, a World War II veteran with a distinguished combat record, said he is deeply concerned that decision-makers may be working from outdated intelligence that substantially underestimates current North Korean strength.

"The question asked after U.S. setbacks in China and Vietnam was, 'What are we going to do?'" he said. "We want to make sure, we will execute it with enthusiasm and a high level of professional skill."

The apprehensions voiced by Gen. Singlaub are echoed to some degree by many, if not all, U.S. military leaders in South Korea. "No one understands why they (the U.S. forces) are being pulled out," said a well-informed U.S. source. "Carter says the withdrawal won't endanger South Korean security or upset the military balance. Our military people say that would be a miracle. They think it can't be done."

The commander in chief of United Nations and U.S. forces in South Korea, Gen. John Vessey, has expressed his misgivings directly to President Carter and Defense Secretary Harold Brown, sources here say.

Gen. Singlaub and Gen. Vessey's deputy, Lt. Gen. John Burns, expressed their concern in separate lengthy interviews yesterday. Gen. Burns said that he would prefer the ground troops to stay.

"The withdrawal must be managed to avoid any disastrous change in the military balance on the Korean peninsula or credibility of the American commitment. American Air Force units, which Carter has said will stay in Korea, should be reinforced," added Gen. Burns, who flew 102 combat missions as a fighter pilot in the Korean war.

Some officers stress the fear that—despite all assurances to the contrary—the reductions in troops will be interpreted in South and North Korea as a disengagement.

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The concern centers on the 14,000-man 2d Division, which has a vital role covering the main southbound invasion route to this capital.

The division's firepower, mobility, ground-surveillance radar and technology give it a far higher combat value than any single South Korean division. It has more helicopters—and TOW missiles to stop North Korea's 3,000 tanks—than the whole South Korean Army. Even if Seoul could afford to buy the advanced weaponry, it would take longer than the scheduled five years to train the South Koreans in its use and maintenance, U.S. officers here say.

The 2d Division is also the controversial "tripwire" which doves argue could lead to U.S. involvement in another Asian land war and which hawks maintain has successfully deterred aggression since 1953.

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"An intention..."

Fear It May Lead to War

Officers Dispute Carter on Korea Pullout

By John Saar

SEOUL, May 19 (WP)—The third-ranking U.S. Army general in South Korea says that President Carter's plan to withdraw U.S. troops here in the next four to five years is a mistake that will end in war with North Korea.

"If we withdraw our ground forces on the schedule suggested, it will lead to war," said Maj. Gen. John Singlaub, chief of staff in the U.S. Forces Korea headquarters.

Gen. Singlaub said that he and many other senior military officers challenge the wisdom of Mr. Carter's plan and predicted that withdrawal of the 2d Infantry Division as announced would seriously weaken defenses in the South and encourage North Korean President Kim Il Sung to attack.

[President Carter today ordered Gen. Singlaub to report to him immediately in Washington, the Associated Press said.]

[Deputy presidential press secretary Rex Granum, who announced Mr. Carter's decision, declined to say whether Gen. Singlaub would be reprimanded, fired or reassigned.]

[Mr. Granum acknowledged that the President acted on the basis of a dispatch from Seoul quoting the general as questioning the President's withdrawal plans.]

The unusual situation arises just before talks to implement that policy.

Philip Habib, under secretary of state for political affairs, and Gen. George Brown, chairman of the Joint Chiefs of Staff, are to arrive in Seoul Tuesday as the President's special representatives.

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PIAGET

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"This is one of the best engineered cars ever designed by the Turin company..." —DEUTSCHE AUTOMOBIL REVUE

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"The 131 mirafiori sets a new trend in the policy of Fiat models... doing away with the ancient Fiat image of small-size and super-fast engines. This car has been conceived with economy, safety and intrinsic value in mind." —AUTOMOBIL REVUE

"The 131 represents a rational and elegant interpretation of Fiat's styling traditions, embodied in a car designed to last for many years." —CORRIERE DEL TICINO

THE FRENCH

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"Through this aesthetically pleasing car, whose bodywork is carefully refined as well as the superior standard equipment combined with a great roominess, Fiat is trying to offer its potential buyers not only a beautiful car, but also a vehicle which is very thrifty in consumption and maintenance..." —L'EQUIPE

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"Without doubt Fiat has a trump card in the medium-capacity class with the '131 mirafiori.'" —AUTOKAMPIOEN

THE DANES
"Astonishing acceleration at normal speed and at 60 km/h pickups are easily performed without any need to shift to a lower gear." —MOTOR

THE BELGIANS
"The outcome of a new design philosophy, the Fiat 131 is a timely arrival." —JOURNAL TOURING SECOURS

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"Driving this car you will save fuel but Fiat has certainly not economized on interior fittings and finish. The 131 is a typical example of the next generation of automobiles with well balanced styling without sporting pretensions..." —KURIER

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"The main impression the 131 creates is of an outstanding family car with all the comfort one could ask for." —GÖTEBORGS-POSTEN

Who could love this Fiat more than the Italians? Maybe you.

FIAT

No Victors in Israel

As luck and Israeli democracy would have it, the politics of the Middle East are now dangerously out of synch. Just as the Arab governments were at least listening to the proposition that the return of their occupied territories would require their genuine acceptance of Israel, the first try at forming a new Israeli government has fallen to Menachem Begin, the leader of a right-wing coalition whose dominant faction would not surrender the West Bank even for total peace. When asked about the occupied lands Tuesday, Begin insisted that they were not occupied but liberated. That is a formula for disaster, for Israel and Israel's relations with the United States.

With that uppermost in everyone's mind, it becomes especially important now to sort out what did and did not happen in the Israeli election. Begin's Likud coalition did not win a resounding mandate and did not really win the election. It gained a handful more seats than in 1973 and emerged the leading party only because Labor, which has ruled the nation since its formation in 1943, suffered a humiliating defeat. The scandal-ridden Labor party lost most to a brand-new party, led by Yigael Yadin, whose foreign policy leans toward the dovish side of recent Israeli leaders. His strength will now be the parliamentary equal of the hawkish religious parties which broke up the ruling coalition with Labor to force the election.

So there is in this result no clear mandate for any single group or line of policy. There is also abundant evidence that the Israeli voters were moved more by domestic than foreign affairs.

Begin or anyone else will have to fashion a strange and strained coalition to obtain a governing majority in the Knesset. Most of the difficult policy choices, especially in foreign affairs, are likely to be bartered away in its creation. Thus even if Israel manages to retain a relatively moderate government in the months ahead, it will be a weak government as long as Tuesday's election determines its shape. And it may not last long. It is always possible, of course, that a government led by hawks may bid dramatically for a bold peace. De Gaulle style, or that an unambiguous drive for territorial annexation would soon be discredited and repudiated in another election. Possible, but not likely. There is trouble ahead not only for President Carter's imaginative effort at

who believe that Israel's safety requires, first, a government strong enough to run some risks to test the Arabs' interest in a settlement and, second, a government capable of coordinating diplomacy with the United States so as to retain unqualified U.S. support for Israel's defense.

The first Arab reaction to Begin's emergence has been absurdly alarmist. To threaten war before an Israeli government has been formed or heard from will not frighten the Israelis and may even enhance the stature of their hawks. To reject, out of hand, any negotiation with Begin—because he once led the Irgun terrorists in the struggle for independence and refuses to recognize the Palestinians—comes with ill grace from regimes that have been shielding terrorists, sponsoring them diplomatically and refusing to recognize Israel for a generation.

But we are being reminded again that the enemies of the Middle East are never far from the surface. If the next Israeli government were to sanction more settlements on the West Bank in the cause of annexation, the risks of early war would be great. The United States has wisely promised all the Middle East parties that it would not impose peace terms on them even if it could, but that restraint would not long survive a unilateral Israeli enlargement of the territory to which U.S. defense support is pledged.

The brutal truth is that Israel cannot go it alone militarily. Therefore it cannot go it alone diplomatically without sooner or later undermining other U.S. interests in the Middle East. A generation of warfare has brought Israel a nearly universal consensus that its permanent borders should be drawn somewhere near the lines of 1967. These would not be comfortable lines without a genuine peace in the area and without additional military guarantees and protections. There now exists a U.S. administration that wishes to trade Israeli withdrawal for a comprehensive peace and there has been at least a hope that Egypt, Syria, Jordan and Saudi Arabia were prepared to contemplate such a deal.

If the Arabs' interest is genuine, then Israel's political paralysis or retreat from compromise would be tragic indeed. In case the Arabs are not sincere, what a tragedy—and irony—if the blame for failure, even in American eyes, fell upon the Israelis.

—THE NEW YORK TIMES.

Israel's fragmented electorate has turned out the stale and discredited Labor party, in power since the state was established in 1948. The voters gave a thin plurality to the generally right-wing bloc known as the Likud. Its chief, former underground leader Menachem Begin, 64, must decide whether to seek a unity government with Labor, or a coalition—or something. Mr. Begin is an ideologue—some would say a primitive—who has had the luxury of indulging old dreams and the easy slogans of opposition. He has never had to govern. Whether he can be educated in the complexities of the issues, and even whether he can harness the disparate factions within the Likud, is unclear.

Though the elections were fought mainly on domestic issues, international attention has correctly focused on Likud's record of refusal to contemplate even the modest territorial concessions considered by Labor. It's a question of degree: Neither party supports other than "defensible" borders and either supports a Palestinian state, but Labor has been more sensitive, and sensible, about keeping the Washington link strong. There are two ways of looking at this. One is that Likud's elevation is a disaster, sure to strengthen Arab extremists, undermine Arab moderates and intensify American-Israeli

strains. The other is that negotiations can proceed more surely with a Likud whose flank is secure than with a Labor government exposed to Likud attack—it took a Nixon to go to Peking. We don't find this second view particularly persuasive at the moment. But we note it. The circumstances are novel and volatile.

For the United States the path is reasonably clear. The administration, wisely, had let Israelis know before their elections what its broad policy would be. The Israelis could have been under no illusions when they voted that President Carter would not continue down that track. American policy cannot ignore political realities in one or another Mideast country but even less can it ignore the international realities that demand deliberate pursuit of a settlement. Arabs, some more and some less, have committed themselves to cooperate with American diplomacy. To hesitate on account of Israel's political turn would be to renege on a pledge on which various Arab leaders have bet heavily. The special American commitment to Israel's security remains intact. But the Israelis, as they start to bargain out a government, must understand that the United States' search for a settlement goes on.

—THE WASHINGTON POST.

International Opinion

The Israeli Election

For those who care for and respect Israel this is very grave news. Mr. Begin is one of the fathers of modern terrorism... The U.S. government grossly overplayed its hand in the pressure it exerted... asking the Labor alliance to prepare the way publicly for withdrawal from disputed territories. Consequently, U.S. diplomacy now has on its hands not only a former leader of the Irgun Zvai Leumi, but an Israeli national policy which is spelled out in those three Hebrew words. They mean "both sides of the Jordan."

—From The Daily Express (London).

A third war is more likely and a peace conference less likely, or even impossible... (but) politicians do not always mean the things they say in the heat of the closing

In the International Edition

Seventy-Five Years Ago

May 20, 1902

JON—While most of the press this morning had a great deal to say about the prospects for peace in South Africa, the "Daily Chronicle" had this to say about the situation in the Americas: "Although America has yielded so much to Cuba, Congress has yet to learn the true spirit of empire. In its general commercial position the island is little better off today than it was under Spanish rule."

Fifty Years Ago

May 20, 1927

PARIS—While most of America talks about the forthcoming attempt to fly the Atlantic Ocean and France still frets over the loss of its two flying aces, the night life in Paris goes on as usual. Mistinguett is at the Moulin Rouge; the young Josephine Baker at the Jardin des Acacias and even Georges Carpentier at the Palace. "Ben Hur" and "The Big Parade" are the main film hits at the moment.



A Close-Up on Eurocommunism

By Joseph Kraft

PARIS—Perhaps the leading expert on the new, softer stance taken by the West European Communist parties is Francois Mitterrand, head of the French Socialist party. For Mitterrand's Socialists are linked with the Communists in an alliance that is favored to take over the government after the legislative elections next year.

Mitterrand deals daily with the Communists, hammering out joint programs and grappling for influence. He is a man of an attractive, restored house near Notre Dame. I was struck once again by the totally bourgeois tone of the place. It has, for example, a complement of modern office and household equipment full enough to satisfy the strictest IBM executive.

I asked Mitterrand first about a televised debate he had had with Raymond Barre, the Prime Minister who heads the government which the left-wing coalition will probably have to run against next year. I said the debate seemed impossibly dull and abstract, especially the not-inconsiderable part on international finance.

Mitterrand said: "Everybody knows where I stand politically. They know I am a man of the left. They know I will bring the Communists into government. They know that I will reform basic structures, and give young people a much better break. That's a lot to carry in a middle-class nation like France."

"Since we're ahead now, my interest is to keep things calm, to reassure people, to build confidence. Twenty of the 25 million people who watched the program probably don't know anything about international finance. The other five million probably don't know exactly where they stand. But by talking on that issue, I showed that I had some economic competence, that I wasn't a purely political figure. People have confidence in leaders who can talk economics."

I turned next to a move made by the Communists just before the Mitterrand-Barre debate. Two days earlier, the party had released a document giving the costs of their version of the joint program. The Communist document stressed large and early nationalization of industry; heavy government payments for social services, and heavy private outlays for higher minimum wages. Why, I asked Mitterrand, did the Communists make that move on the eve of his debate?

Mitterrand replied: "They wanted to hurt me. Their aim is to put the left in power in a situation where the Communists are the leading party of reform, and we Socialists are cut down in size." Mitterrand went on to say that the Communist tactic would not work. He pointed out that in the debate he had openly disavowed the Communist program; he said that was enough to demonstrate his independence, and maintain the Socialists as the lead partner in the coalition.

I asked him if the Communist behavior didn't prove that they couldn't be trusted. Didn't the government, and particularly President Valéry Giscard d'Estaing, now have abundant evidence to show that the Communists would betray the country?

Mitterrand said: "Ten years ago, or maybe even two, that argu-

ment would have worked. But now it's worn out. The French people have heard it over and over again. They don't really believe it anymore. So long as I keep their confidence, they're not going to be terrified of the Communists."

Mitterrand is a very shrewd political leader, and his views may well be correct. I personally doubt it would be a catastrophe if he came to power, as I believe he could handle the Communists with great skill. Still, his caution suggests to me that the election is far from being in the bag. So it seems to me that the United States should refrain from doing anything which would weaken the chances, however slim, which the government parties have of barring the door to the Communists in France.

U.S. Jewish Lobby

There is something sickening and frightening happening in the United States. The time has come when an American citizen, be he a John Doe or a general, cannot publicly voice a critical opinion about Israel; the American Jewish Lobby, or the Zionist movement without arousing angry cries of "anti-Semitism" and without having the U.S. Congress, or even a Jewish group, erupting in protest.

It is a very sad commentary of what is going on in a country that is putting so much stress on human rights and the right of free speech. One wonders: rights for whom, freedom of speech about what?

When there is so much hysteria generated over comments that are not especially filled with praise and adoration for the actions and boasts of Israel, one can only believe that what is being said deserves notice. The public does not need anyone to inform it that American foreign policy is being manipulated by the Jewish voting bloc and the Jewish lobbyists. This is a glaring fact.

In the meantime the rot has set in. Congress is not only foully hypocritical, but guilty of unpardonable bias and prejudice in all decisions affecting Israel. Congress speaks of rights and justice while dealing out staggering, low blows to anyone who has the courage to point out the real direction prejudice has taken in U.S. foreign policy.

The U.S. has become a paranoid nation, tacking labels on those who see a dangerous imbalance in the blind, all-consuming love affair the United States has been having with Israel. Politicians are fond of heaping bouquets of praise on dissenters in other countries, but malign those in our own. Or does the right of dissent somehow depend on the issue?

CARLA BRIGGS.

A Difference

Zakaria Hamed of Beirut (IHT, May 11) missed David Lazar's point and intention (IHT, April 29)—perhaps unconsciously, but more likely, neglectfully and deliberately, by comparing and distorting an event generally acknowledged to have been a

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials but preference will be given to those fully signed and bearing the writer's complete address.

came to power, as I believe he could handle the Communists with great skill. Still, his caution suggests to me that the election is far from being in the bag. So it seems to me that the United States should refrain from doing anything which would weaken the chances, however slim, which the government parties have of barring the door to the Communists in France.

Living Thing

French as spoken by the French or the Belgians or diplomats of whatever stripe, is mobile, while, responsive but not sealed in a patent vacuum can to be proof against use by unauthorized person(s).

The import-export trade in words, meanings and spelling has no geographic constraint, and although in the trade between "amour" and "hot-dog" the U.S. has been and is the winner—each has its place and its time.

Let us replace pork and a chuckle serve as a link among nations instead of puffing indignation over petty clerics.

In other words, don't lend editorial dignity to trivia; you wind up destroying nations.

WARREN E. KRAMER, Woking, England.

Nixon and Frost

Since the Frost-Nixon interview was seen on U.S. British and French television, a commentary may not be out of place.

The aggressivity of the Englishman towards an ex-president of the United States was deplorable. I was pleased that Mr. Nixon refused to grovel before him. Mr. Nixon admitted his errors, none of which were criminal, to my mind, and seemed a much sadder and wiser man than the man we knew as president. He was humbly sorry for his mistake, but Frost seemed to want blood as well.

The only consolation is that Mr. Nixon will make as much money from the interviews as those two opportunist newsmen who wrote the book on Watergate.

ELEANOR FERREAU, Versailles, France.

World Food

I was delighted to read (IHT, May 3) that "the world will produce more wheat, corn and other grains than consumers will use." This can only mean, I assume, that for the first time in the history of mankind none of the earth's citizens will starve.

Isaacson.

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EDWARD ALLAN POE.

'Polluted French'

Concerning "Polluted French" (IHT, May 9): Language has no greater claim to purity than has any other

Issue of Human Rights And the World Bank

By Jonathan Power

LONDON—Early in March when President Carter had his tail up on human rights, the U.S. executive director of the World Bank asked the bank's board to postpone a decision on a new loan to Argentina. What followed was a piece of political footwork that left the Americans a little breathless. The executive director of Argentina requested that discussion on all new loan proposals be postponed. And he coupled this with a request for a debate on human rights.

The American bluff was called. An open discussion in which Argentina's police state practices would have been compared perhaps not unfavorably with South Korea's and the Philippines' would have made the Americans extraordinarily embarrassed. There is no way at the present time that the United States would allow its strategic support of South Korea and the Philippines to be overshadowed by such casual concerns as torture and the suspension of habeas corpus. At the next board meeting the Argentine loan went through on the nod.

This little debate, however, is a harbinger of the quandary the bank's board is soon going to be in once the international institutions bill clears the remaining hurdles in Congress. This bill authorizes some \$4 billion of new American funding for the World Bank. It has now passed the House and is in passage through the Senate. If the House gets its way, the final bill once it emerges from a House-Senate conference, will compel the U.S. executive director (who wields a key 21 per cent of the votes on the bank's board) to vote against loans going to countries that engage in "a gross violation of human rights."

A Headache

If the likely Senate version wins, then the U.S. delegate will surely have to use his "voice and vote" to influence loan decisions. Either way the bill is going to give the bank continuous headaches.

The World Bank could deal with a tough American position by assuming that the other votes will nine times out of ten override the American vote. This is the course chosen by the Inter-American Development Bank, which has been working within U.S. congressional human rights constraints for nearly a year. Last summer the U.S. director voted against a loan to Chile.

However, all the Latin American directors voted in favor. Such a game plan has a lot of weaknesses. It is a bet on the Argentine, Britain, the Netherlands, Scandinavia, and other countries, who vote the loans through. The time will come when the Argentine government possibly will be prepared to be "soft" on human rights. Second, it underestimates the American public opinion which will like to see the American gate continuously outvoted. Third, it is a bet on the opinion polls show that the challenge of human rights is more than by any other as international relations.

Softening the Im

But the truth is, if feuding is to be kept reasonable bounds in the bank, some way will be found of softening the of the congressional. Executive directors on the board, did on the Argentine could too easily turn into another ineffectual agency. The hope must be that the House-Senate version of the bill and turn the bank to deal with requirements in its own way. The bank's own staff is helpful here. Tradition has it that the directors only vote on a loan project, e.g., a road, never on how much all a country should pay. So if the bank staff can own good reasons decided down aid to, say, there's not much the tinian executive can do. He can only make a particular project is. Moreover, the bank can the pill by using its clause, that will doubt the final version of allowing aid to be cut it goes to "serve the needs" of the common is no reason why a expected aid total should be cut as it is direct "barefoot and shirtless." In this way the W could serve both God and man. An ideal result.

Oliphant and I

After a business trip up with unread IHT, I was shocked and saddened by Oliphant cartoon (IHT, May 17).

Whether the cartoonist dislikes Turkey, approval of Turkish policy is in what matters is that highly talented artist obviously ignorant of our Turkey and duped by a vicious propaganda in a Goebbels style (being a Jewish origin, I am familiar with cartoon hooked noses, toothy grin, and preceded Oliphant nose, fess, and grin).

Less than 3 weeks I hotly contested democracy where 8 parties, over the entire spectrum left through center to ul and competing in a no holds barred campaign. Turkey can be act as oppression, and disreswards human rights.

Oliphant is not beyond if he would bother to try, he may yet find of other things a press as usually more barbed the press in the United States, Western Europe etc.

That as respected and representatives of the press would publish a so blatantly biased and so on blatantly facts is no or their knowledge of the Mediterranean in general Turkey in particular, furthermore a disservice cause of understanding a balanced meeting of mind area which they themselves acknowledge to be of vital importance to the world.

Isaacson.

Otherwise, what was doing amassing a sum million metric tons of Rome.

JOHN F. GC

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مكتبة

Follows Earlier Carter Stance

Publishers Push U.S.S.R. for Book Pact

Herbert Mitgang
 TON, Bermuda, May 19.—Independent of the federal government, U.S. book publishers are trying to work out a deal with the Soviet Union designed to extend the freedom to write, publish and communicate in both directions under the Helsinki

involved in the private negotiations. "We're businessmen used to being firm in contractual arrangements. We don't want a protocol that only says that the sun rises in the east and sets in the west."

After undergoing revisions in the last few months by a small group of U.S. publishers, the protocol was mailed to the Soviet Union two weeks ago. The publishers believe an agreement in writing is desired by Moscow.

Whether the language in this draft will be acceptable to Soviet officials is problematical. But two factors in the background, it is said, could serve to loosen the Moscow bureaucracy.

One is the Soviet desire to achieve U.S. participation in the first international book fair, to be held Sept. 6 to 14 in Moscow.

The second is a need to accommodate views of governments with different systems to make the 1980 summer Olympic Games in Moscow a success.

The proposed protocol would

take effect when it is signed and be valid until Dec. 31, 1980. The signatories would be the Association of American Publishers, which has just ended its annual meeting here, and the State Committee for Printing and Publishing and Book Trade of the U.S.S.R. Council of Ministers.

The protocol draft covers the following:

- Direct contact in the book publishing field would be allowed between Soviet and U.S. publishers, between Soviet publishers and authors living in the United States, and between U.S. publishers and authors living in the Soviet Union, "without hindrance from governmental bodies."

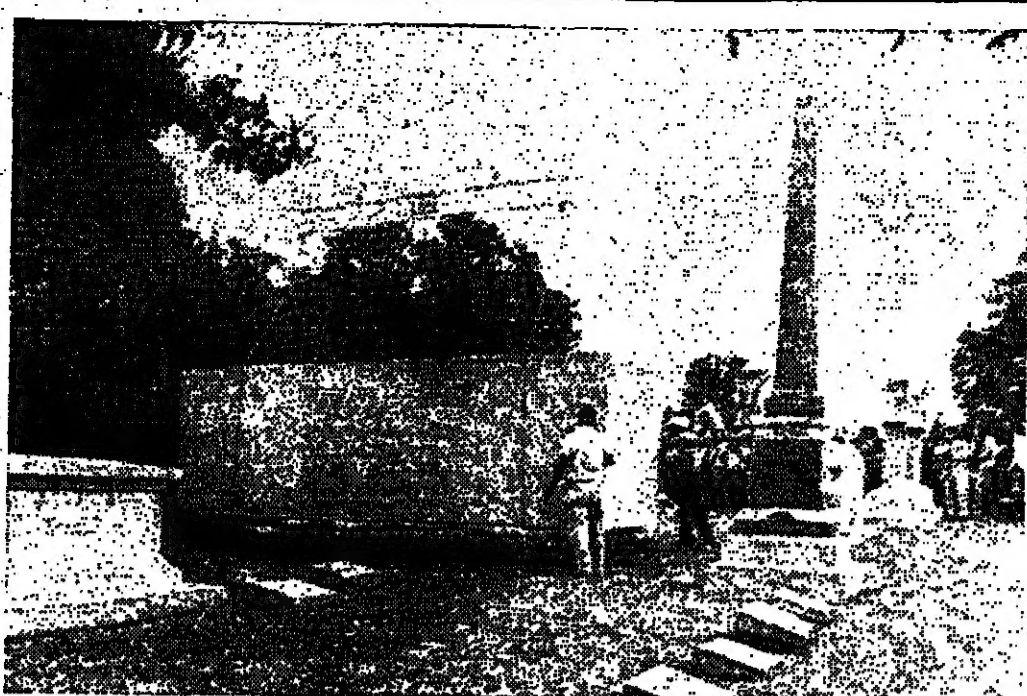
- Measures would be taken to increase the number of sales outlets in the United States for Soviet books, and sales outlets allowed in the Soviet Union would make U.S. books available to the public.

- Efforts would be made to increase the "uncensored publication" and translation of books by Soviet authors in the United States and by U.S. authors in the Soviet Union.

Both parties would examine various "modalities" of payment and simplification of customs clearance "to facilitate the commercial exchange of books."

U.S. publishers in Bermuda voiced differences on how strongly they should insist on these provisions. Some advocate that commercial dealings ought to be undertaken step by step to give Soviet agencies more room to maneuver without pressure by U.S. publishers concerned with the rights of Soviet dissident authors.

There is debate too as to the extent to which the State Department and other U.S. agencies ought to provide aid to U.S. publishers in their business dealings.



Crate containing a Ferrari auto and body of Sandra Ilene West is lowered into grave.

Millionairess Is Buried Inside Her Ferrari

SAN ANTONIO, Texas, May 19 (AP).—A California millionaire's body was buried in her expensive Italian sports car, "with the seat slanted comfortably" as she requested, according to a local undertaker.

Porter Loring, owner of the Porter Loring Funeral Home,

said that Sandra Ilene West was dressed in a lace nightgown today and placed in her Ferrari, which was put into a wooden crate reinforced with concrete and buried next to the grave of her husband, Ike West Jr., a Texas oilman who died in 1968.

Mrs. West, 37, died in her Beverly Hills, Calif., home

March 10. The cause of her death has not been officially determined but California officials say an inquest will be held next month into the death.

Mr. Loring said the woman's embalmed body has been kept at a local mausoleum since arriving in San Antonio in March. The cost of the burial will be about \$8,000, he said.

Danes Halt Infiltration

Swiss, Austrians Work to Halt Fox-Borne Spread of Rabies

By Walter Sullivan

GENEVA, May 19 (NYT).—The spacious gardens of Schloss Heilbrunn near Salzburg are aglow with sweeping floral displays, interspersed with reflecting pools and statuary against a backdrop of Alpine scenery. But, like many other European beauty spots, the gardens are marred by signs made hideously garish to attract attention. They warn that the region is infested with rabies. Visitors, they say, should stick to the paths and keep pets on a leash.

Having apparently entered Germany from the east, rabies is spreading westward and southward, carried in most cases by foxes. It is coming over the Jura Mountains from France into this part of Switzerland. It has penetrated the Alpine passes into Italy.

Only in Denmark, where a sort of line against fox infiltration was created, has the advance been stopped. According to specialists at the World Health Organization here, the Danes used the only method considered effective by the rabies surveillance group at WHO.

Dens Gassed

That is sharply reducing the fox population by injecting gas into sealed dens. If the animals become scarce enough, the chain of infection can be broken. The fox population, the WHO experts maintain, quickly rebounds.

Such measures have not been widely applied, however, because of opposition by wildlife preservation groups and hunters. In Austria, hunters are receiving generous bounties for foxes killed in newly infested or threatened areas, but the rabies specialists here doubt that enough will be killed to halt the advance.

Because the use of poisons or traps was ruled out as a hazard

to children and other animals, the Danes chose to inject gas into the dens. Their first attempt to produce a sanitary line across the Danish peninsula was outflanked, but a new line was formed to the rear and held, according to WHO officials.

Few Deaths
 Human deaths from the disease have not been heavy—the toll in Switzerland this year is two—but they are the first deaths from rabies here since 1949.

Experts seeking the cause of the resurgence are focusing on the growth in the fox population. The animals, being scavengers, thrive near human habitations such as farms. Natural fox predators, such as wolves, lynxes and birds of prey, have largely vanished.

New Center

Until now, efforts to seek clues to factors controlling the spread have been handicapped by lack of coordinated reporting. Now a new WHO center for rabies surveillance and research is being organized in Tuebingen, West Germany. The patterns of incidence will be subject to computer analysis.

Libyans Suspend Italy Trade Deal In Oil Rig Dispute

ROME, May 19 (Reuters).—Libya has suspended negotiations on a major trade deal with Italy because an Italian-operated oil rig has stopped drilling off the Libyan coast, a Libyan government official said today.

Maj. Abdel-Salam Jalloud, a former premier and now a member of the four-man General Secretariat of the General People's Congress, said here that the multimillion-dollar deal was being held up because Italy had stopped drilling by its state-owned company ENI in the Gulf of Gabes, an area disputed by Tunisia.

Operations were halted in February after a Tunisian Navy ship ordered Italian engineers to stop work there. Unions have since rejected any resumption until the workers' safety is guaranteed. Italian officials were not immediately available for comment but a press report said that the Italian state oil company had worked out an agreement with a U.S. company to operate the

Seeks Bigger Supplier Panel

NY, May 19 (Reuters).—Foreign Secretary David called today for an end to the 15-nation suppliers group which is outlining a code of conduct to prevent the spread of weapons.

He would open up the group to more representatives, he said. "A group will not be in the wider world."

He, therefore, to establish international dialogue the recognition that all whatever their stage, have a legitimate interest in timely and their future energy including nuclear, will be

Jazzmen

led by Cubans

A, May 19 (Reuters).—Jazz Gillespie and Earl Hines, U.S. jazz musicians, are adding a new dimension to a diplomacy last night triumphant concert in Mella Theater.

Listeners received a standing ovation from the mixed American audience and a surprise addition to the program, Cuban musicians, Americans onstage the first time since the U.S. performers had a major concert here. The U.S. tourists to visit for 16 years.

Danish Crews End SAS Strike

COPENHAGEN, May 19 (Reuters).—The Scandinavian Airlines System today reached a wage agreement with Danish cabin crews, partially ending a shutdown of its international flights.

An SAS spokesman said that some flights were resuming today, including those to North America and within Scandinavia. Before the settlement, the Danish cabin crews were scheduled to join 2,200 Swedish and Norwegian colleagues who went on strike on May 9 after a breakdown of wage talks.

The Danish crews have a separate agreement with SAS.

Lockout in Sweden

STOCKHOLM, May 19 (Reuters).—Wage talks between Sweden's private employers and white-collar workers broke down yesterday and the employers announced an 11-day lockout of 220,000 workers beginning at midnight on May 25.

Warsaw Pact Council Ends Prague Meeting

PRAGUE, May 19 (Reuters).—The Warsaw Pact's Military Council today ended a meeting here that had lasted several days, the Czecha news agency reported.

The agency's report was the first indication that the Military Council had met. It did not say what the council had discussed.

Political Violence Kills 2 in Turkey

TRABZON, Turkey, May 19 (Reuters).—Political violence claimed the lives of two persons in Turkey last night, bringing the total deaths for the year to more than 100.

A taxi driver was shot to death and two other persons were seriously wounded in this northern city during a fight between supporters of Turkey's two major political parties, local authorities said. General elections are scheduled for June 6.

In the southern city of Adana, a 19-year-old leftist high school student was stabbed to death by at least five unidentified assailants, police there said. No arrests were reported in either case.

Milan Subway Is Damaged by Two Bombs

MILAN, May 19 (Reuters).—Two bombs damaged tracks of Milan's subway shortly before traffic was due to start early today, police said.

No one was injured, but subway service was suspended for several hours. There was no immediate indication of who was responsible for the blasts.

The explosions followed several days of political violence in Italian cities, in which a 19-year-old woman was killed in Rome and a policeman was killed in Milan.

Students in Rome dropped plans for a big demonstration today, but said that they would hold a rally on the city's university campus unless the government lifted its ban on all demonstrations until the end of the month.

Interior Minister Francesco Cossiga has announced that he would not lift the ban.

The extremist Worker Autonomous student group, which calls for armed revolution, to

throw capitalism, also decided against a demonstration.

In Genoa, a group of armed women militants, calling itself the Women's Armed Communist Liberation Movement, claimed responsibility for a bomb attack

Greece Imposes Luxury Taxes

ATHENS, May 19 (Reuters).—The Greek government last night announced taxes on luxury items and high-consumption automobiles.

A 25-per-cent consumption tax will be imposed on luxury goods, including alcohol, jewelry, perfumes, furs, tape recorders and cameras. The tax also will be added to bills in class "A" restaurants.

Taxes on cars with engines larger than 1,800 cc will be raised by up to 200 per cent. Other new measures are designed to cut

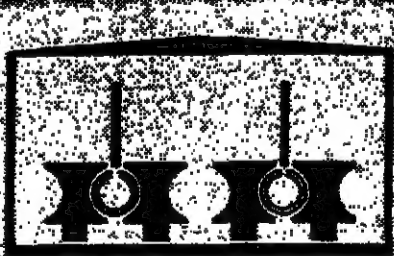
Demag technology international

Technical leaders in mechanical engineering and plant construction

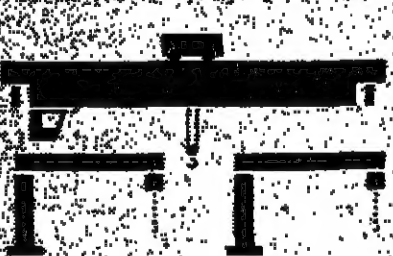
With 17 works in Germany and 14 works outside Germany, Demag are one of the leading international mechanical engineering companies. Demag know-how, engineering and advanced technology provide the basis for a wide range of high-standard products. For further information: DEMAG Aktiengesellschaft, D-4100 Duisburg 1, Fed. Rep. of Germany, Tel. Germany - 203 - 6 052 413



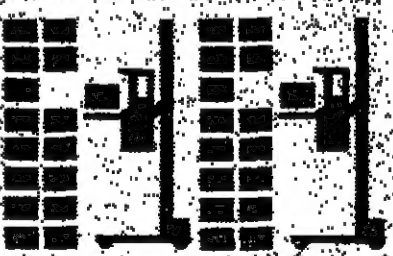
Metal Making Plant
 Machinery and systems for the iron and steel industry from ore beneficiation to semi-finished product. Complete plant.



Tube and Pipe Making Facilities
 Plant and machinery for the production of seamless and welded tubes. Hydraulic presses.



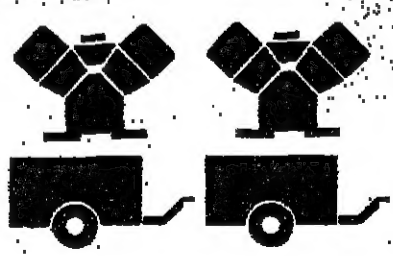
Cranes and Lifting Gear
 Overhead cranes, suspension cranes, steel mill cranes, KKK (modular crane construction) and suspension track systems.



Warehousing
 Handling systems, high-bay warehouses, storage and distribution systems. Complete planning and turnkey construction.



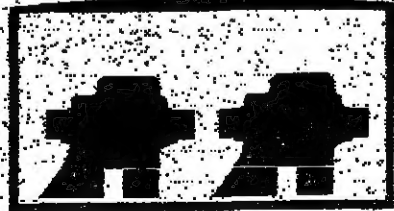
Construction Equipment
 Hydraulic excavators up to 100 t, mobile cranes up to 500 t, road finishers and rollers.



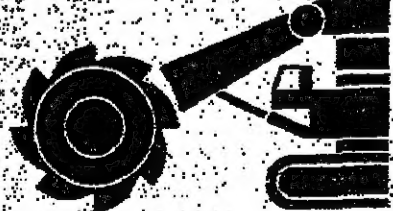
Compressed Air Systems
 Compressors, pneumatic tools and equipment for the building trade and industry in general. Compressed air systems.



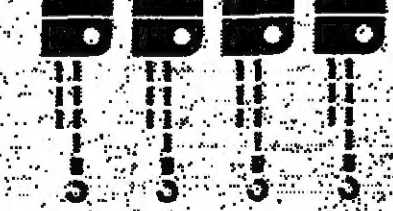
Metal Shaping Plant
 Rolling mills for beams, sections and wire-rod; strip and sheet mills.



Process Compressors
 Centrifugal compressors or positive displacement machines for air, gases and gas mixtures.



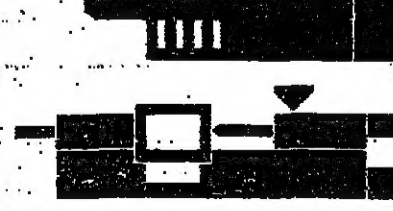
Bulk Materials Handling
 Bucket-wheel excavators and stacker reclaimers for handling of rehandling ore, coal, oil sand and minerals. Belt conveyor systems.



Components
 Drive engineering and control systems, electric lifting gear, standard crane components and load lifting attachments.



Mining and Tunnelling
 Mining and tunnelling machines for hard and soft rock. Air motors.



Plastics Machinery
 Complete plant and machines for injection moulding and extrusion.

DEMAG
 Machinery, plant and systems
 ein Mannesmann Unternehmen

CANNES FILMS

A Made-for-TV Work Enlivens Festival

By Thomas Quinn Curtiss

CANNES, May 19 (HTT).—The Italians are in luck when it comes to entertainment. Not only does their cinema possess an imposing roster of reliable directors, who have recently delivered the brightest screen comedies, but Italian television appears to be of an exceptionally high grade, as judged by "Padre Padrone" (My Father, My Master), made for the RAI TV by the Taviani brothers, Paolo and Vittorio, which has just lent luster to the Cannes Festival.

Based on the autobiography of a Sardinian shepherd, Gavino Ledda, it recounts his lonely childhood in the hills after his father has snatched him away from school to toil on the family estate, of his hard years as a farmhand and of his eventual surmounting of the rigid traditions and parental tyranny. When called for military service, he is forced to discard his Sardinian dialect for standard Italian and belatedly to learn his letters. These obligations result in his throwing himself into persistent study, for which he is rewarded with a university scholarship—his passport to freedom.

The Taviani brothers have drawn the ignorance and superstition that still prevail over the Sardinian peasantry brilliantly, sometimes with graphic realism and sometimes with a charming, playful humor. Omero Antonutti is the heavy father, who might have stepped out of the pages of Zola, and Saverio Marconi, as Ledda in young manhood, are singularly engaging.

Marguerite Duras's "Le Camion" is special and of very limited appeal. It is not, in the proper sense, a film at all, but a monologue in which the author vaguely outlines a proposed script, ex-

plaining it in part to an actor (Gérard Depardieu). For an hour and 20 minutes they sit in conference while we look on. She does most of the talking, while he has an attribute rare among actors: He is a good listener.

The scenario that Miss Duras has written—or perhaps only sketched—has to do with a truck driver who picks up a hitchhiking woman one night on a country road. The woman unburdens her ideas on her chauffeur, her notions sounding like those of a parlor radical blue-stocking as she rattles on about Communism, the class struggle, sex and death.

It may be, as the attentive actor suggests, that she has escaped from a psychiatric clinic, and then again it may be that Miss Duras is being satirical. In any case, a sort of Pirandello investigation of the woman is conducted, coming, Pirandello-like, to no definite conclusion. Cinematically, it is static by its very nature, but it is not dull, for Miss Duras recites her proposed scenario with feeling and nuance.

"La Dentellière" is a Swiss production of Claude Goretta (shot in France) makes one wonder why there are not short fiction films. Goretta's screenplay is but a short story unnecessarily elongated to consume two hours. A shy virgin of a hair-dressing parlor has a brief affair with an erratic student, but they are unable to merge their fragile solitude to find mutual understanding. The girl is left lonelier than ever and her despondence ends in madness. Many scenes are well executed and there is a sensitive performance by Isabelle Huppert as the hapless heroine, but the whole lacks form and vitality.

To light its way, "Bound for



David Carradine, star of "Bound for Glory," in Cannes with wife and director Hal Ashby.

"Glory" has a winning performance by David Carradine as Woody Guthrie, a folksinger of the 1930s who sought by his lyrics and guitar strumming to unite the fruit pickers in California, but its trail is a wearying one to dusty yesterday. This U.S. entry resembles the socially significant films from Hollywood in the '30s, though it never comes within measuring distance of John Ford's "Grapes of Wrath"

or William Wellman's "Wild Boys of the Road," which, thematically similar, pictured the Depression decade woes. Worse, it fails to make dramatic progress or rise to any climax and seems interminable, while the twanging numbers, well rendered by Carradine, are not heard to advantage on stage.

The same points are hammered in again and again and the same conflicts—those of Guthrie with his radio sponsors—are repeated with only minor variations. Hal Ashby's direction has bestowed the commonplace—rather than the common—touch on this earnest tale of plain people and their troubles, and Guthrie's affair with a wealthy widow and his disputes with his wife clang with cliché. Carradine emerges as a genial player, but his vehicle is heavy going.

MUSIC IN PARIS

Starting a World Career in the Mid-40s

By David Stevens

PARIS, May 19 (HTT).—Age 47 is a little late in the day for a pianist to be making his debut in a major city, especially when little more than two years ago his name was almost unknown in the West. Yet, last night at the Théâtre des Champs-Élysées, Lazar Berman packed the house with an audience alive with curiosity and anticipation.

At the end of a long and uncommonly adventurous recital, the audience was also rich in fulfilled expectations, for Berman is clearly a major and fascinating artist. Word from the United States, where he has played some 60 concerts in three tours in the last 18 months, was that he was an authentic romantic, with a big tone and virtuosity to spare.

That was clear enough from the beginning, when he began his recital—began it, mind you—with Prokofiev's Sonata No. 8. But he also extracted a great deal of the composer's delicacy and wry lyri-

cism to go with the steely brilliance. The Schumann Sonata, Opus 22, gave further evidence, with the lyricism of the slow movement strongly contrasting with a strong, thrusting attack in the outer movements.

But Berman was doubtless most at home in the strange combination of technical difficulties and introspective searching of three selections from the Italian year of the "Années de Pélerinage," culminating in a storm of accumulated sonorities in the fantasy "D'après une Lecture de Dante."

After Scriabin and Rachmaninov encores, Berman ended his evening with another phenomenal demonstration of Liszt playing with the transcription of Schubert's song "Erk König," in which the poetic directness and dramatic power of the song—and its three characters—was never drowned in the sea of pianistic brilliance.

Why Berman has remained unknown for so long is something

of a mystery, compounded in part of reluctance on this part of Soviet musical authorities and Berman's own reticent personality. He has recorded little, and although a Soviet recording of the early 1960s of Liszt's "Transcendental Etudes" gained a certain underground celebrity in the United States, his first recording with orchestra did not take place until late 1975. Tchaikovsky's First with the Berlin Philharmonic with Karajan. He has regularly toured Italy for the last seven years, but on Monday he makes his West German debut at the Beethoven Festival in Bonn.

He is a fascinating performer to watch as well as hear. A large, portly man with a beard that gives him an amiably Mephistophelian look, he has a deceptively placid, controlled keyboard manner, even at the most intense moments. The mid-40s may be a bit late to start a world career, but clearly he is going to be around for a while.

FASHION

Dufy Gouaches Come Out of Hiding

By Hebe Dorsey

PARIS, May 19 (HTT).—A vast assortment of Dufy fashion gouaches (for which the artist was paid long ago in centimes) will be auctioned off at the Palais d'Orsay on June 7. Inflation helping, these same gouaches should fetch from 2,500 to 20,000 francs each.

They were done for the fabric house of Bianchini-Ferrier, in the heyday of Paris couture and Lyons silks. Dufy was paid 25 centimes for each meter sold.

From 1910 to 1930, Dufy was one of the most prolific fabric talents around. The collection of 217 gouaches plus wooden blocks and copies of his contracts (there are two of them, dated 1912 and 1919) with Bianchini-Ferrier are on display at the Musée d'Art Moderne until May 28. The show will pick up again two days before auction at the Palais d'Orsay.

The idea of this retrospective-cum-auction can be credited to Philip Davis, a young Australian who works for the Loudner-Poulsen auctioning firm. "I was fascinated by the Sonia Delaunay fabric designs at the Musée des Arts Décoratifs last October," he said. "I was sure that by digging hard enough, one could still find a gold mine in Lyons."

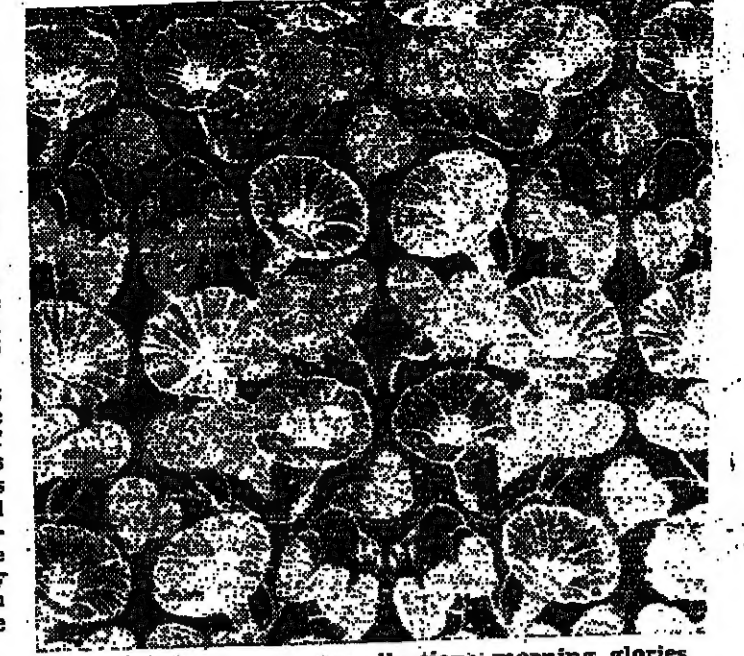
So, to Lyons he went and discovered the Dufy collection, neatly stacked away in wooden folders. "You can imagine how I felt when I saw all that," he said. "I was jumping up and down."

The next step was to convince François Ferrier to sell the gouaches. "It wasn't easy," Mr. Davis said, "but we did it."

Handsome framed and grouped by themes (horses, boats and flags, chinoiserie, flowers). It is an impressive display for both art and fashion lovers. The flower group is by far the most important. It ranges from sharp, geometric Art Deco to full-blown richly colored roses, anemones, pansies and morning glories. The most striking are on a black background.

Mr. Davis also went to Lyons's silk museum and dug up samples of fabrics made from the Dufy designs. The richest ones are damask with a gold thread and were intended for home furnishings (for which Dufy got 50 centimes per meter sold).

Dufy's first venture in fabric design started in 1908 with Paul Poiret, one of the century's most colorful and adventurous designers. Poiret later commissioned the artist to design a pink, leafy pattern for one of his three barges, Amours, Délices et Or-gues.



From Dufy's flower collection: morning glories.

By 1912, the house of Bianchini-Ferrier, then a giant in Lyons fabrics, lured Dufy away with a contract that lasted until 1930. Those were the days when artists all worked in applied arts. Dufy and Vianinck did ceramics. For Schiaparelli, Dufy designed scarves and Giacommetti designed buttons. Sonia Delaunay designed fabrics for the house of Jacques Heim. But Dufy was by

far the largest contributor to world of fashion.

Although the June 7 auction should bring in a good bit of the real money will be in rights. Fabric manufacturers designers who would like to Dufy's striking patterns will to pay an additional, hard price, "but just how much can't say yet," Mr. Davis said.

SHARPS AND FLATS

GENEVA—Jean-Luc Poncy, Larry Corryel and Philip Catherine will be at Victoria Hall May 22 at 8 p.m. and Harry (Sweets) Edison, Eddie (Lookjaw) Davis, Jimmy Woode, Marc Hemminger and Georges Bernasconi at the Popcorn Club from May 22-23.

FRANKFURT—Cecil Taylor will be featured at the Smokkasten on May 26.

MUNICH—Bob Seger will give a concert at the Circus-Krone-Bau May 21 at 8 p.m. and then Chuck Berry will appear in the same hall May 23, also at 8 p.m. Mal Waldron is featured at the Dörmle from May 23-28 and J.J. Cale at the Kongressaal des Deutschen Museums, May 25 at 8 p.m.

PARIS—J.J. Cale will be at the Olympia May 21 at 5 p.m. Jimmy Gourey opens at the Cavaux de la Montagne the same night. Ange is at the Palais des Sports May 25 and 26 at 8 p.m. Larry

Corryel and Jean-Luc Pont at the Pavillon de Paris May 21 at 8 p.m. Wild Bill Davis night at the Cavaux de la Montagne through May 24 at Chicago Art Ensemble at Campagne Première through 25.

The two long-famous quads the Delta Rhythm Boys and Golden Gate Quartet, are playing to SRO audiences, moment. The Deltas at Eiffel Tower and the Gals L'Orée du Bois. The Deltas added several French to their repertoire. The Gals give a special concert at Malmaison on May 26 at the Espace Malmaison. pianist Joe Turner is well road to recovery from his accident and is again in them in nightly at the Cal super club.

LONDON—Roy Eldridge Kinsey and Lois Lane are ing nightly at Ronnie S.—FRANK VAN BE

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BUSINESS

with Slows Sharply J.K. Money Supply

May 19 (AP-DJ).—of England reported the nation's money expanded over the year ended April by

Warns n to Cut in Trade

May 19 (UPI).—A official today warned Europe or face EEC moves. Hafekamp, vice-president of EEC Commission, stated at the open annual talks between the EEC.

to settle the trade in EEC," he said. se of exports, Japan usly consider Europe's question is not ill be impossible to actionist movement.

e Foreign Minister yama insisted that the problem be a free-trade frame- come to a solution it difficult economic strengthening the free trade," he said, tent that we can, we forts to counter the ow confronting the

ales Effort Urged May 19 (Reuters).—tent has asked Japan- ers to refrain from tes promotion cam- ne United States to ither trade conflict disagreement over jon sales, officials

d that car sales in rates are rising with recovery there and Japanese cars and ten January and bout 450,000 units, a ad 69 per cent over

m Profits in Year, Rise 27%

May 19 (AP-DJ).—up's profits rose 38 n the year ended a 27-per-cent gain

aceuticals firm re- that profits totaled or 47.8 pence per red with 250.1 mil- pence, in the previ-

ny declared a total the year of 6.69 t 5.54 pence a year rease was the maxi- ed by the govern- rejected the compo- exemption from t-restraint program, the year rose to n from 236.6 mil-

cal Victim in Fraud

K, May 19 (Reuters). Bank was identified chief victim in more illion in fraudulent to three Oklahoma emens against the sed today by U.S. At- t Fiske Jr. in federal charges the three busi- mens and conspiracy. defendants are Wil- rland, Levin Dye and re. As accused of inducing bank and 11 other in- ditions to make loans n-existent taverns and ous collateral. As accused of inducing bank and 11 other in- ditions to make loans n-existent taverns and ous collateral. As accused of inducing bank and 11 other in- ditions to make loans n-existent taverns and ous collateral.

Viking Resources International N.V. N.A.V. of 29-4-77 519.62 (D.Fs. 48.08) INFORMATION: Holding & Pison N.V., zacht 216 Amsterdam.

FINANCIAL NEWS AND NOTES

Bowater Plans Rights Issue

Bowater plans to raise 233 million through the issue of 18.8 million ordinary shares, priced at 18 pence each. The shares will be offered to existing shareholders on the basis of one new share for every seven held and to holders of the company's convertible unsecured loan stock on the basis of five shares for each £77 of stock. The board says it plans to recommend dividends totaling 9.55 pence for 1977, up from 8.3 pence, on the increased capital. The new shares will not rank for a final dividend of 3.5 pence for 1976.

Farah Seeking Merger Partner

Farah Manufacturing expects a "significant loss" for the second quarter and six months ended April 30 and says it is exploring the possibility of being acquired. Farah, which makes slacks and jeans, says it has had preliminary conversations on being acquired, but there have been no substantive negotiations. The company notes that with the expected second-quarter loss, it will not be in compliance with certain terms of its loan agreements. Farah says it is seeking to amend its loan agreements and is trying to arrange additional financial support.

Toyota, Nissan Expand in Mideast

Toyota Motor and Nissan Motors, Japan's largest auto manufacturers, plan to expand their

service networks in the Middle East, their third largest market. Toyota says it recently completed a repair factory in Dubai capable of handling 1,400 units a month and a large auto-parts depot in Muscat. It also plans a large repair factory in Saudi Arabia for completion by end-1977. Nissan says it is building a 1,000-unit repair factory in Tehran and a 9,000-unit factory in Saudi Arabia. Exports of Toyota vehicles to the area rose 63 per cent to 142,600 units in 1976, while Nissan exports rose 34 per cent to 124,400. Japan's share of the Mideast market is the largest at about 37.5 per cent, with Britain ranking second with 24.5 per cent, they said.

MEPC to Sell Canadian Interests

MEPC, the U.K. property group, is negotiating the sale of its 55-per-cent stake in MEPC Canadian Properties Ltd. to a group of Canadian pension funds for \$Can. 13.6 per share, or a total of \$Can. 51.1 million. No binding agreement has yet been reached and the sale, if it goes ahead, would not be completed for at least four to five months, the company says. It will take some three months to determine if satisfactory shareholdings, legal agreements and other conditions can be obtained or completed with. If the sale goes ahead, all shares held by minority shareholders will be acquired on the same terms and all issued preference shares will be redeemed at par plus accrued dividends. This would raise the takeover price to \$Can. 78.4 million.

Economic Analysis

Double Tax on Dividends a Taxing Subject

By Thomas E. Mullaney

NEW YORK, May 19 (NYT).—For many years, the nation's business and financial leaders have been pressing efforts to convince Washington that the long-standing policy of double taxation on corporate dividends was inequitable and ought to be abolished.

Since other types of income were not penalized at the national level, they made the point that the duplicated tax on stock was an inequity that ought to be rectified. Philosophically, there has been no lessening in the drive toward that objective. However, as the feedback from Washing-

ton indicates that the pleas on that subject are finally getting a sympathetic hearing in the White House and Congress, many prominent executives are having some reservations about the price they might have to pay to achieve their goal.

The decision on this issue was obvious at the recent meeting of the blue-ribbon Business Council in Hot Springs, Va., and in conversations with a number of business-tax experts since then. Everyone concedes that the issue of eliminating the double-taxation of dividends is so complex, controversial and political that it needs much more searching study and analysis than it has gotten so far.

There seems little doubt that the administration's forthcoming tax-reform program will address itself to this problem. In California last Tuesday, President Carter said, in answer to a question from a citizen on a television call-in program, that "one of the issues we will be looking at is the double taxation of dividends."

He is standing by a statement made during his campaign that he did not "think it's right" to tax corporate earnings first as profits and again when some of that income has been passed along to the public as dividends.

At the Hot Springs meeting, Sen. Russell Long, D-La., chairman of the Senate Finance Committee, said he believed the administration "intends to keep that commitment," and indicated he went along with the view that Congress had to provide more assistance to business, "one way or another," in finding enough money for building new factories or purchasing capital equipment.

His "one way or another" phrase rekindled fears that the business world has been developing in recent months. If a new program is to be constructed that results in zero or a minimal revenue loss to the Treasury, businessmen ask, what tradeoffs will be suggested in other areas of taxation they find more palatable and possibly more productive for capital formation, profitability, investment, productivity and job creation?

The administration's plan might not seek a complete offset to the revenue loss from the change in dividend-taxation policy, but the business community thinks such a decision is unlikely, from a political standpoint as well as from budgetary considerations.

There are a number of ways that the administration might decide to end the double taxation of dividends:

- Allowing corporations to deduct dividend payments to shareholders from their income before computing taxes, just as interest payments on debt are handled.
- Retaining the present dividend tax at the corporate stage, but giving an additional credit to stockholders on their own tax returns to take account of the tax already paid by their corporation.
- Or some combination of the first two methods.

Five Peruvian Bankers Withdraw Resignations

LIMA May 19 (Reuters).—The president of Peru's central bank and four directors who resigned because they opposed conditions laid down by the International Monetary Fund for granting Peru a stand-by credit will stay on, banking sources said today.

Carlos Santisteban and the four directors were involved in a controversy over economic policy with outgoing Economy and Finance Minister Luis Barrantes, who resigned Monday. They offered their resignation to Mr. Barrantes last week but agreed to stay on yesterday after meeting Walter, Plaza Tanguis the new economy and finance minister the sources said.

Competitive Disadvantage

"Virtually all of them (the foreign steel makers) are owned, subsidized, financed—directly or indirectly—added, and protected in one way or another by their own governments," said Lewis Fox, chairman of Bethlehem Steel Corp. "Under the circumstances, privately-owned American companies like Bethlehem are at a severe competitive disadvantage."

It was the high degree of

U.S. Revises Up GNP Growth Rate to 6.4%

WASHINGTON, May 19 (AP-DJ).—The nation's economy grew much faster in the first quarter than originally estimated, new government figures issued today show.

Real gross national product rose at an annual rate of 6.4 per cent from January through March rather than the 5.2-per-cent pace reported a month ago, the Commerce Department said.

In addition, the revised data indicate that inflation was somewhat slower in the first quarter than previously thought.

By a GNP-based gauge that reflects changes in the composition of consumption, prices rose at an annual rate of 5.4 per cent rather than the 5.7 per cent initially estimated. By another GNP-based measure, prices increased at a 6.5-per-cent rate, rather than 6.6 per cent.

After-tax corporate profits, however, rose only 0.9 per cent in the first quarter to a seasonally adjusted annual rate of \$87.6 billion. Pre-tax profits increased 1.4 per cent. The profits data are being reported for the first time.

In current dollars, first-quarter GNP rose 12.2 per cent to a seasonally adjusted annual rate of \$1,796 billion from an adjusted \$1,745-billion pace in the fourth quarter of 1976. Adjusted for inflation, first-quarter GNP was at a \$13.7-trillion adjusted rate.

The department said that the major reason for the upward revision was larger investment in inventories. Before adjustment for inflation, inventory investment was revised up \$6.3 billion while personal consumption expenditures were revised up \$2.3 billion and fixed investment was revised up \$1.4 billion. Net exports, on

the other hand, were revised down \$4.4 billion and government purchases were revised down \$1.9 billion.

The revised figures show a 3.7-per-cent increase in real final sales, which is inflation-adjusted GNP minus inventory swings. The savings rate—4.8 per cent of disposable personal income—was lower than the per cent originally reported.

Rapid Growth Seen Ahead

NEW YORK, May 19 (AP-DJ).—President Carter's top economic adviser is expecting a "very good" second quarter, with the U.S. economy growing at a 6.5-per-cent annual rate or better.

Charles Schultz, chairman of the Council of Economic Advisers, told a press conference here that the third and fourth-quarter growth rates for real gross national product will be "somewhat" slower than the second but "still good."

Earlier this month, Treasury Secretary Michael Blumenthal forecast a 7-per-cent growth rate for the second quarter.

Addressing a financial writers' dinner after his press conference, Mr. Schultz also said he believes the federal budget can be balanced by 1981, with \$25 billion to \$30 billion left over for tax cuts and "high-priority" spending programs. He said this forecast assumes the economy will grow between now and 1981 at an average annual rate of 5.1 per cent, provided corporate fixed investment increases at an average annual rate of 8 to 10 per cent for the next four to five years in real terms—an "ambitious" but "not unprecedented" objective.

Mr. Schultz said "signs are emerging that the needed strength of business capital outlays will develop." But he made clear that if the economy falters, he would not hesitate to recommend additional government stimulus. "If the slippage is serious, some tax reductions or employment creation expenditures would be called for," said Mr. Schultz, who is regarded as the most liberal of the President's

Stocks Fall; Fed Seems to Raise Target

Funds Rate Advances, Fed Fails to Intervene

NEW YORK, May 19 (Reuters).—Stumbling over some profit-taking and renewed concern about interest rates, prices on the New York Stock Exchange reversed a four-day-old rally to finish lower in active trading.

The market began losing ground just after midday when the cost of federal funds—the key money-market rate—moved up to 5.3 per cent without prompting an intervention by the Federal Reserve to provide temporary bank reserves. Until now, the Fed has provided such liquidity when the funds rate reached that level.

This set off speculation that the Fed is again raising its target and tightening policy as the rate continued to climb and closed at 5.1 per cent. The previous upper target had been 5.3 per cent.

After the market closed, the Fed reported that the basic money supply, M-1, fell \$400 million in the week ended May 11, putting the average for the past four weeks 9.4 per cent over the previous 13-week period. The broader measure, M-2, rose \$1.1 billion in the latest week, registering a 9.1-per-cent rate of growth for the latest four weeks.

The Dow Jones industrial average, off 4.07 at 3 p.m., closed with a loss of 5.43 at 936.48 after gaining a total of 16.37 points in the previous four sessions.

Volume totaled 21.28 million shares compared with 27.8 million yesterday.

Another reason for today's downturn, analysts said, was renewed selling pressure on growth stocks, which had been attracting investors recently. IBM declined 1 7/8 to 232 5/8, Kodak 7 8 to 50 5/8, International Paper 13 3/8 to 55 1/2.

Xerox, unchanged at 47 1/2, said it expects higher second-quarter earnings.

Patrick Petroleum, which is being investigated by the federal government in connection with possible industrial theft in the oil industry, fell 2 3/8 to 15.

British Petroleum, fell 1 1/2



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Geographically, too, we work mainly in areas where we have something special to offer. This includes the U.S.A. (our U.S. affiliate, Republic National Bank of New York, is now one of America's 60 largest banks). It also includes a number of

countries which, frankly, many other banks lack the first-hand knowledge to tackle properly.

What's more, we keep our back-office systems running abreast of our business. You don't notice this directly, but it shows up in quicker decisions and fewer errors.

Serving our clients well has helped us grow uncommonly fast. Today, we're big enough to provide most of the sophisticated facilities of the international banking giants—but lean enough not to keep you waiting for decisions.

As part of the Trade Development Bank Holding Group (over \$3.2 billion in assets and over \$317 million in capital and loan funds employed), we're ready to serve you in most of the world's financial centers.

Key Group offices: Geneva, London, Paris, New York (Republic National Bank of New York). Other offices in Beirut, Bogota, Buenos Aires, Caracas, Chisao, Frankfurt, Luxembourg, Mexico City, Montevideo, Nassau, Panama City, Rio de Janeiro, São Paulo.

Trade Development Bank

As TDB has grown, it has maintained the tradition of personal service that is one of its major strengths. Experienced account officers, coordinate the bank's worldwide activities to serve individual clients effectively wherever they do business.



Weekly net asset value	on May 16, 1977
Tokyo Pacific Holdings N.V.	U.S. \$40.85
Tokyo Pacific Holdings (Seaboard) N.V.	U.S. \$29.78
Listed on the Amsterdam Stock Exchange.	
Information: Pison, Holding & Pison N.V., Haringvliet 24, Amsterdam	

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MAY 1977

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COMPANY	INDUS.	1974-77 HIGH-LOW	CLOS. PRICE May 18	MON.-TUES. HIGH-LOW	P/E	YIELD (%)	EARN. PER SHR. 74-76 75	SHRS. OUTST. (000)	LATEST COMPANY NEWS
AQUITAINE	Petrol.	297 - 237	254	254 - 230	2	5.9	42.63 - 19.14 - 63.00c	9,349	As of June 1, Aquitaine Co. div. payments \$4.32 per share.
ASSUR. GROUPE PARIS.	Insurance	316 - 207.50	227.50	229.30 - 226.50	8	4.8	9.94 - 13.27 28.22	2,603	AGP S.A.-Cie du Midi met April Group already holds
BOUYGUES	Construct.	539 - 240	351	390 - 216.50	13	6.0	47.50 - 29.75 - 25.92c	600	Expected '77 group turnover Fr. 3 billion (up 25% vs. 1976)
BSN GERVAIS DANONE.	Glass/food	736 - 362	390	391 - 376	—	6.5	102 - 28.28 - 24.39c	9,332	Net profit of -59.3 MF in 1976 (down 80% in '75).
CHARGEURS REUNIS ...	Shipping Air Trans.	208 - 109	138	156 - 140	8	8.0	9.58 - 16.94 - 16.41	1,866	Chargeurs Reunis div. food for 1977.
CHIMIQUE ROUTIERE...	Public works	132 - 81.70	85	89.90 - 84	5	6.2	9.74 - 11.18 - 18.07c	1,672	PEREA subsidiary turnover = 368 MF (+11.5%).
CREDIT COMM. FRANÇ.	Bank	161.50 - 85.50	83.50	87.50 - 83.50	5	8.2	13.02 - 10.36 - 15.85	5,758	7% net profit = Fr. 46.10 mil. Div. up to Fr. 7.40 va
CREDIT INDUST. COMM.	Bank	147 - 74	72.50	76 - 74	7	9.0	8.83 - 6.77 - 10.84	4,828	From March '76 to March group client loans up 14.1%
CREDIT DU NORD	Bank	95 - 38	51	52.50 - 50.50	8	10.8	6.72 - 5.54 - 6.64c	4,800	1976 net profit = 5,663.13 Fr. 81.85 mil in 1975
CREUSOT-LOIRE	Heavy Ind	173 - 70	68	74.50 - 70	7	71.8	15.98 28.13 - 9.62c	3,884	Company to maintain dividend of Fr. 3 for 1976.
EURAFRANCE	Holding	207 - 124.50	124	130 - 129.50	3	8.9	(non signif.) - 86.58	2,193	Oct. 1, '75-Sept. 30, '76 profit (+19.5%). Fr. 11 dividends '76
FERODO S.A.F.	Autom. Equip.	468.90 - 299	291.80	329 - 323	71	5.3	42.10 - 23.82 - 29.27c	1,487	'76 net profit = 62.15 MF Net dividend Fr. 18.80 vs 1975
GEN. OCCIDENTALE ...	Holding	193 - 162	172	172 - 171	6	3.2	— — — 36.94c	2,806	Group bid for 50% of Caventis shares (155 pesee per share)
IMETAL	Mining	124.70 - 70.50	74	75 - 70.50	30	4.5	7.59 - 17.97 - 2.44c	7,944	Imetel to limit its holdings Industries Group to 25%.
MOET-HENNESSY	Beverages	621 - 268	296	301.50 - 285	27	2.7	31.77 - — — 11.00c	2,157	'77/76 group net profit = 46.8 MF (1976 MF in 1975).
NORD (Compagnie du)...	Holding	28.20 - 17.90	17.70	18 - 17.90	61	7.9	2.63 - 8.18 - 0.29	13,825	'76 net profit = 23 MF vs. 1975. Div. up to F. 1.50 per share
PECHELBRONN	Hold. (fin.)	68.10 - 63.20	63.50	63.40 - 63.20	6	9.4	11.71 - 6.52 - 10.76	2,845	1976 net dividend proposal 146me = 1975).
PECHINEY-UG-KUHLM...	Chem./min	119 - 62.40	64	64.50 - 62.80	—	7.8	14.50 - 6.50 - 6.30c	15,143	Net dividend proposal of Fr. 15 (1975 at June 23 meeting).
PSA PEUGEOT-CITROEN.	Holding	409.80 - 188	224.80	223 - 216.50	4	4.4	71.04 - 38.24 - 34.71c	9,251	Peugeot Cars '76 net profit = 1,465.5 MF (+105%)
RAFFINAGE (Cie. Fr.) ...	Petrol.	129.70 - 64	70.30	71.80 - 70.10	—	—	15.84 — —	5,450	Fr. 6 net dividend to be paid next shareholders meeting.
REDOUTE	Mail order	723 - 506	529	545 - 530	17	2.8	35.94 - 35.87 - 31.18c	926	Turnover March 1-Nov. 30, 1976 = 1,768 MF (up 15%).
ROBECO	Investm. Comp.	384 - 310	370	390 - 370	—	3.4	(not relevant)	25,573	Renovo assets breakdown 52.8%, S: 16%, E: 9.7%, AUS: 1.5%
SKIS ROSSIGNOL	Ski manuf	1990 - 1290	1395	1367 - 1350	27	1.8	84.64 - 71.76 - 79.76	266	Last 9 months '76 turnover RSC Inc. = 300.02 MF (+33.3%)

(C) Tax credit not included.

C: Consolidated.

NYSE Nationwide Trading (3 O'clock) May 19

and s	P/E	100s.	High	Low	2 C
28	13	171	15%	15%	
32	14	27	23%	23%	
26	14	4	6%	6%	
30	15	8	12%	12%	
30	8	74	9%	9%	
15	15	58	9%	9%	
1.12	8	101	27%	27%	
.67c	14	32	12	11%	
1.34	25	250	56	55	
2.40	7	26	34	34	
1.94	9	64	29%	29%	
1.50	8	182	29%	29%	
.400c	8	225	19	18%	
1	8	40	18%	18%	
1.38	7	15	19%	19%	
1.40	8	80	18	17%	
14.60	17	51	51	51	
200	8	49	20%	20%	
27	8	864	20%	20%	
1.10	10	177	23%	23%	
1.50	4	25	24%	24%	

[illegible]

1	12	755	27.8	27.8
1.10	7	196	27.8	27.8
3	3	82	8.2	8.2
1.50	7	1	26.4	26.4
	3	47	5	4.8

10	115	10%	12	12	10%	13%	Unifin	1.4	6	73	5%	5%	10	6%	Wiedtst	32	7	10	7%
9	197	30	28%	28%	13%	13%	Unifin	1.04	9	2	13%	13%	24%	22%	Williams	1	10	872	2%
							Unifin						9%	6%	Wiedtst	12	10	68	2%

1.56	13	32	42	47
1.12	12	166	154	37
1.1	5	100	158	30
2.12	10	70	107	107
2.89	5	13	20	20
2.55	1.70	23	28	28
1.46	9	29	30	30
1.40	1.75	191	19	19
2.20	1.40	63	33	33
1.12	5	84	12	12
1.12	4	10	11	11
1.12	7	11	11	11
1.12	10	11	11	11
1.12	13	167	24	24
1.12	16	13	2	2
2.20	1.12	10	30	30
2.40	1.12	15	85	85
1.12	13	8	5	5
1.12	13	145	10	10
1.12	29	1	1	1
X = Y = Z				
1.20	10	1521	49	47
1.88	4	245	23	24
1.66	4	25	15	15
1.88	4	245	23	24
1.88	4	25	15	15
1.88	4	7	12	12
1.88	4	83	11	11
1.88	4	8	28	28
1.12	12	421	24	24
1.12	12	32	14	14

Inc	1.30	10	120	36	35%	36	5%	4%	Vendo	2	5 1/2	5 1/2	5 1/2
AMir	.80	10	49	22%	22%	22%+	14 1/2	13%	VestS	7	14 1/2	14 1/2	14 1/2
							23	15%	Vetco	126	18 1/2	17 1/2	17 1/2+

Sales figures are unofficial.
Unless otherwise noted, rates of div.

		HIGH L.
W	W	625-4
O'Dranch A	A	978-4
P	P	423-4
Pampour A	A	338-2
PanCan P	P	924-4
Pombura S	S	434-4
Shops		113-4
Pine Point		534

4227	Denison	532	91.2	32	+ 40.	531	17.9	19	T 43	2025	Plecker	518	17.9	19	T 43	
4300	Dickson	436	39.0	39	- 10	508	3.0	33	30	2026	Reed Osir A	519	17.9	19	T 43	
4764	Dinisco A	523.5	23.4	23.4	- 4	246	Lucas	420	41.5	41.5	800	Reed Osir A	520	17.9	19	T 43

0 Rvms	Prp	87
0 Rothman		514
0 Scott		894
0 Snell Can		914
0 Sheerrt		894
0 Sherritt A		3124
0 Simpson		894
0 Simpson S		274
0 Slater SII		844
0 Southern A		1174
0 St Brodca		894
0 St Brodca		324
0 Steep R		190
0 Tack Cor A		894
0 Tack Cor B		894
0 Teleadyne		354
0 Tex Can		823
0 Trans N		894
0 Trn Drn Bk		8154
0 Tristar S		514
0 Traders A		3124
0 Trns Mt A		894
0 Trns Mt B		894
0 UGSA		894
0 Union Oil		894

323	325	325	9200 IAC	\$15 1/2	15 1/2	15 1/2	2300 Dom Bridg	\$22 1/2	22 1/2	22 1/2	1000 Upp Can	125
\$14 1/2	14 1/2	14 1/2 + 1/2	700 Indal	\$17 1/2	17 1/2	17 1/2	950 Dom Text	\$7 1/2	7 1/2	7 1/2	800 Van Der	250
50	50	50	200 Indusmin	\$12 1/2	12 1/2	12 1/2	2800 Ex 1 Col	\$12 1/2	12 1/2	12 1/2	700 Vesinon	515

Voyager P	877%
Waldwood	\$124
Walsburne	59%
West Mine	425
Weston	\$13%
Woodward A	\$15%
Yukon C	200

6 mos.	3 mos.
146.90	81.00
289.90	161.00
434.00	242.00
578.50	323.00
723.00	404.00
867.50	485.00
1,012.00	566.00
1,156.50	647.00
1,301.00	728.00
1,445.50	809.00
1,590.00	890.00
1,734.50	971.00
1,879.00	1,052.00
2,023.50	1,133.00
2,168.00	1,214.00
2,312.50	1,295.00
2,457.00	1,376.00
2,601.50	1,457.00
2,746.00	1,538.00
2,890.50	1,619.00
3,035.00	1,700.00
3,179.50	1,781.00
3,324.00	1,862.00
3,468.50	1,943.00
3,613.00	2,024.00
3,757.50	2,105.00
3,902.00	2,186.00
4,046.50	2,267.00
4,191.00	2,348.00
4,335.50	2,429.00
4,480.00	2,510.00
4,624.50	2,591.00
4,769.00	2,672.00
4,913.50	2,753.00
5,058.00	2,834.00
5,202.50	2,915.00
5,347.00	3,000.00
5,491.50	3,081.00
5,636.00	3,162.00
5,780.50	3,243.00
5,925.00	3,324.00
6,069.50	3,405.00
6,214.00	3,486.00
6,358.50	3,567.00
6,503.00	3,648.00
6,647.50	3,729.00
6,792.00	3,810.00
6,936.50	3,891.00
7,081.00	3,972.00
7,225.50	4,053.00
7,370.00	4,134.00
7,514.50	4,215.00
7,659.00	4,296.00
7,803.50	4,377.00
7,948.00	4,458.00
8,092.50	4,539.00
8,237.00	4,620.00
8,381.50	4,701.00
8,526.00	4,782.00
8,670.50	4,863.00
8,815.00	4,944.00
8,959.50	5,025.00
9,104.00	5,106.00
9,248.50	5,187.00
9,393.00	5,268.00
9,537.50	5,349.00
9,682.00	5,430.00
9,826.50	5,511.00
9,971.00	5,592.00
10,115.50	5,673.00
10,260.00	5,754.00
10,404.50	5,835.00
10,549.00	5,916.00
10,693.50	6,000.00
10,838.00	6,081.00
10,982.50	6,162.00
11,127.00	6,243.00
11,271.50	6,324.00
11,416.00	6,405.00
11,560.50	6,486.00
11,705.00	6,567.00
11,849.50	6,648.00
11,994.00	6,729.00
12,138.50	6,810.00
12,283.00	6,891.00
12,427.50	6,972.00
12,572.00	7,053.00
12,716.50	7,134.00
12,861.00	7,215.00
13,005.50	7,296.00
13,150.00	7,377.00
13,294.50	7,458.00
13,439.00	7,539.00
13,583.50	7,620.00
13,728.00	7,701.00
13,872.50	7,782.00
14,017.00	7,863.00
14,161.50	7,944.00
14,306.00	8,025.00
14,450.50	8,106.00
14,595.00	8,187.00
14,739.50	8,268.00
14,884.00	8,349.00
15,028.50	8,430.00
15,173.00	8,511.00
15,317.50	8,592.00
15,462.00	8,673.00
15,606.50	8,754.00
15,751.00	8,835.00
15,895.50	8,916.00
16,040.00	9,000.00
16,184.50	9,081.00
16,329.00	9,162.00
16,473.50	9,243.00
16,618.00	9,324.00
16,762.50	9,405.00

China (air)	\$ 271.00	136.50	73.00	Lebanon (air)	\$ 171.00	85.50	47.00	Sweden (air)	U.S. Kr. 444.00	232.00	127.00
Cyprus (air)	\$ 118.00	59.00	33.00	Libya (air)	\$ 171.00	85.50	47.00	Switzerland	S. Fr. 300.00	150.00	87.00
Czechoslovak. (air)	\$ 116.00	58.80	33.00	Luxembourg	\$ 171.00	85.50	47.00	Thailand (air)	\$ 273.00	136.50	75.00

62.00	34.50
59.00	33.00
85.50	47.00
57.00	33.00
97.50	54.00
136.50	75.00
59.00	35.00
114.50	63.00

20-5-77

Attorney at Law

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... ..

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Luxembourg: Banque Internationale à Luxembourg.
Netherlands: Algemene Bank Nederland - Bank Mees & Hope - Nederlandsche Middenstandsbank - Pierson, Heiding & Pierson.
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* Please delete whichever is inapplicable			
My cheque for _____ is enclosed.			
* Information Please send me, without obligation, free literature on CONCENTRA and the investment account.			
Name _____		IHT 20-5-77	
(Please use block letters)		Forenames _____	
Address _____			
Street _____			
Code Number _____		Town _____ Country _____	
Signature _____		Date _____	

Concentra
of Deutscher Investment-Trust

WEST
 ♠K654
 ♣J8
 ♦QJ
 ♣85

SOU:
 ♠AKQ
 ♦—
 ♠A108

Routine play will lead declarer to make 11 of my's diamonds. But solution: ruff the lead with a high trump, a low trump. West to score his heart j will be the only defense.

Suppose for example shifts to a club which as anything. South the ace and leads his mairning small heart in dummy. That returns eight, and another d with a high trump three winners in t. There is still one sm the closed hand to let and club losers go winners.

